pany. Mr. Crabtree took the next train ... lightning express for Chester, and arriv... there, enlisted as aids, Sheriff Gammell ... Freight Agent Cone, to guide his search. Ev... man who had been seen coming down the track on or near the track, that morning, was fo... and examined.

Finally, catching the track of one suspe... person, Mr. Crabtree climed the northern mo... tain, to the cider-mill of Otis Waite, where ... found at work Willy Clark, a youth ... 12 years, whom he began to question as to ... having been on the railroad track in the mor... ing. At first the boy denied having been the... the railroad, but, upon being pressed, he own... that he had been to visit A. C. Knox, in a ... saw-mill, and in doing this had crossed the ra... road. In his desire to prove that he had ... been near the scene of the accident, he to... how he went over to the shoddy-mill buildin... just below the point. The detective ... sisted on his going over the journey ... him, and the falsity of his story was speedi... made manifest when they reached the shoddy-mill and it was proved that Clark had not be... there that day, but had been seen on the oppo... site, the north side of the river.

Then, when the Sheriff said, "Billy, you know what we're after?" he answered, "Yes, I do; I did put that stick on the bridge." The boy was then accompanied to the spot and made to show how he disposed the block of wood. After he had fixed it, he said he went up into the woods to watch the result, and after the train passed he went to the place of his employment.

When asked what motive he had for such a deed, he said simply that he wanted to see how it would work—that is, he was simply curious to witness the horrible crash and slaughter of a railway train, crowded with passengers, hurled down a precipice fifty feet to the water and rocks below, of which he had read and heard in many a newspaper.

Willy Clark is a smooth-faced, innocent-looking, steady boy, and it is hard to conceive how he could ever have contemplated so fearful a work. He does not appear to appreciate its enormity.

CHESTER, Mass., Nov. 27.—Willy Clark was examined to-day, before Justice Granger, for obstructing the railroad tracks. He pleaded guilty, and was ordered to recognize in the sum of $20,000 for his appearance before the Superior Court at Springfield.

Vessels Passed Detroit.

DETROIT, Dec. 1.—The following vessels have arrived in the St. Clair River, bound down: Barks, J. Maslen, E. Jones, Northwest. Schooners Star of Hope, Agnes Smith, Negaunee, Kingfisher, Camden.

PASSED DOWN—Propellers Benton, Fountain City, Passaic, Cuba.

WIND—Southwest.

The Horse Disease.

COLUMBUS, O., Dec. 1.—The epizootic still rages here. About a dozen horses have died. All physicians make their rounds on foot, and milkmen dispense their wares from hand-carts.

Suicide.

MEMPHIS, Tenn., Dec. 1.—Judge Bailey, a highly esteemed citizen and prominent lawyer of Canton, Miss., committed suicide last Monday, by taking morphine. Financial embarrassments were the cause.

DIED.

CARHART—Nov. 30, of congestion of the brain, Louis Carhart, second son of Richard L. and Lucinda L. Carhart, aged 4 years, 8 months, and 15 days. Funeral Tuesday, Dec. 3, 1 o'clock, at the residence of parents, Michigan-av., second house south of Thirtieth-st.

Albany (N. Y.) papers please copy.

CULLERTON—On Sunday, Dec. 1, 1872, at 1 a. m., James H. Cullerton, aged 34 years. Funeral from his late residence, corner of Ashland-av. and Dexter street, on Monday, Dec. 2, 1872, at 10 a. m., by cars to Calvary Cemetery.

ADAMS—On the 30th inst., at No. ... Calumet-av., of scarlet fever and whooping cough, Carrie Joanna, daughter of George W. and S. M. Adams, aged 3 years and ... Funeral Tuesday, Dec. 3, at 11 a. m. Friends of the family are invited to attend.

AUCTION SALES.

By ELISON & FOSTER.

OIL PAINTINGS.

The sale of Oil Paintings at store 207 West Madison-st., WILL BE CONTINUED ON Monday and Tuesday Evenings, Dec. 2 and 3, At above store, at 2:30 and 7:30 p. m.

When we shall close out those remaining unsold regardless of cost. There are many fine works left, and we have instructions to close the entire collection without reserve.

ELISON & FOSTER, Auctioneers.

IMPORTANT ART SALE, AT AUCTION.

ELISON & FOSTER would respectfully call the attention of Art lovers to the new and valuable collection of Paintings and Works of Art BELONGING TO THE BROOKLYN ART GALLERY, ... collected during the past year by its proprietor, CHARLES RODE, Esq., from all the principal ART CENTRES OF EUROPE.

In this collection will also be found contributions from leading Artists of America.

The entire collection will be on exhibition, with catalogues, at STORE NO. 970 WABASH-AV., Near Twenty-second-st.

Among the array of artists represented in the collection will be found the names of such as Karl Hubner, ... Herzog, Sus, Henri de Beul, Verrassett, Robbe, Wm. Hart, J. Brown, Albert Bierstadt, Regis Gignoux, A. B. Durand, J. F. Kensett, W. L. Sontag, A. F. Tait, Wm. F. H. de Haas, A. D. Shattuck, And many of equal celebrity.

The whole to be sold by auction without reserve on Thursday and Friday, Afternoons and Evenings, DEC. 5 and 6, at 3 and 7½ o'clock.

ELISON & FOSTER, Auctioneers.

By GEO. P. GORE & CO.

We shall sell Wednesday, Dec. 4, at 9 1-2 a. m.,

... cases Men's Cf, Kip, and Beaver Boots. ... cases Boys' and Youth's Boots. ... cases Women's, Misses', and Children's Assorted Polish. ... a Line of Rubber Goods.

GEO. P. GORE & CO., 22, 24 and 26 Randolph-st.

Our sale of Thursday, Dec. 5, at 9 1-2 a. m., we shall offer Custom-made Clothing, Cassimeres, Knit Goods, Notions, Ladies', Misses', and Children's Fleece-Lined Gloves, ... Dress Coats, ... Jackets and Pants.

GEO. P. GORE & CO., 22, 24 and 26 Randolph-st.

By WM. A. BUTTERS & CO. 55 and 57 South Canal-st.

EXTENSIVE SALE OF Pawnbrokers' Goods, On Wednesday, Dec. 4, 1872, BY ORDER OF ...PMAN, 27 West Madison-st., CONSISTING OF Diamonds, Watches, Jewelry, &c., &c. ... continue all day until every lot is sold. ... ready.

WM. A. BUTTERS & CO., Auctioneers.

By EDWIN A. RICE & CO. ...ge Sale of Stoves, ... Dec. 3, at 10 o'clock, at 219 North Wells ... Ware, 2 tons Castings ... also lot of Hollow ... positive, without reserve. EDWIN A. RICE & CO., Auctioneers, ... West Washington-st. Offices.

The Chicago Daily Tribune.

VOLUME 26. CHICAGO, TUESDAY, DECEMBER 3, 1872. NUMBER 106.

SHAWLS.

"Real Camel's Hair"

SHAWLS!

We have an elegant assortment of these goods of our own importation now on exhibition for the Holiday Trade, to which we invite attention as being especially cheap and choice.

Also to the many elegant Silk, Velvet, and Fabric Garments, Seal Cloaks, Fur-Trimmed Beaver Cloaks, Ottoman and Broche Shawls, among which many great bargains can be secured. Seasonable goods in all Departments at the lowest rates.

Chas. Gossage & Co.

(Successors to Ross & Gossage),

235 AND 237 WEST MADISON-ST.

HOLIDAY GOODS.

West's Bazar, 280 & 282 Wabash-av., is, by far, the Cheapest Place in Chicago to Buy Holiday Goods.

West & Co., Importers.

COAL.

WILKESBARRE COAL, FROM OUR OWN MINES.

We desire to notify our customers that, having our Steam Breaker now complete and in running order, we are prepared to fill any orders in all the assorted sizes of Anthracite Coal, from under cover of sheds. We are also able to offer a variety of Bituminous Coals, received by rail, for domestic and steam purposes. Blossburg and Briar Hill Coals constantly on hand.

BLAKE, WHITEHOUSE & CO., 19 Chamber of Commerce. Offices, Indiana-st. and Twenty-second-st. Bridge.

REMOVALS.

REMOVAL.

On and after Dec. 2, our Mortgage Banking office will be in Honore Block, corner of Dearborn and Monroe-sts.

GALLUP & PEABODY.

HUTCHINSON & LUFF Have removed their Law Office to 20 Tribune Building.

E. SECKEL & CO., COMMISSION MERCHANTS, will remove Dec. 1 to 201 East Kinzie-st.

FOR SALE.

Rogers' & Westenholm's Knives At Culver, Page, Hoyne & Co.'s, 118 and 120 Monroe-st., Chicago.

MISCELLANEOUS.

TO ALL WHOM IT MAY CONCERN.

All persons are hereby notified not to purchase or receive any notes signed by either of us, payable to the order of W. F. HENSHAW, as we and each of us have good and valid defences and set-offs to each and all of them. Chicago, Nov. 13, 1872.

ISAAC M. WOLFF, PETER F. WOLFF, ARNOLD WOLFF.

MRS. F. CURTZE, 32 NORTH HOYNE-ST., Artistic Designer and Embroiderer in Monograms and ...

REAL ESTATE.

To Capitalists!

For sale, 60x80 feet on Franklin-st., between Randolph and Lake-sts., at $860 per foot, front. The biggest bargain in Chicago.

MARSHALL & DICKINSON, Room 10 Otis Block.

GIFT ENTERPRISE.

LAST CALL TO-DAY OR NEVER.

$500,000 CASH.

The SECOND GRAND GIFT CONCERT in aid of the PUBLIC LIBRARY OF KENTUCKY, under authority of a special act of the Legislature, which positively and unequivocally takes place at LIBRARY HALL, Louisville, Ky.,

Saturday (Next), Dec. 7, 1872.

All ticket offices will be closed this (Tuesday) night, and this is the last and only possible chance buyers will have to secure tickets. The Concert and Drawing will commence promptly at 6 O'CLOCK A. M., on SATURDAY MORNING, and continue until the full one thousand cash gifts are all drawn. Official copies of the drawing will be ready for general distribution in Chicago early next week. Orders for pools of $100, $500, and $1,000 worth of tickets will be received at the Sherman House and Tremont House from 8 to 11 o'clock.

The list of Gifts is as follows:

ONE GRAND GIFT, Cash	$100,000
ONE GRAND GIFT	50,000
1 Cash Gift	25,000
1 Cash Gift	20,000
1 Cash Gift	15,000
1 Cash Gift	10,000
1 Cash Gift	9,000
1 Cash Gift	8,000
1 Cash Gift	7,000
1 Cash Gift	6,000
1 Cash Gift	5,000
1 Cash Gift	4,000
1 Cash Gift	3,000
4 Cash Gifts	$2,000 each
15 Cash Gifts	1,000 each
20 Cash Gifts	900 each
21 Cash Gifts	800 each
25 Cash Gifts	700 each
35 Cash Gifts	600 each
45 Cash Gifts	500 each
50 Cash Gifts	400 each
60 Cash Gifts	300 each
100 Cash Gifts	200 each
612 Cash Gifts	100 each
Total, 1,000 Gifts, all cash	$500,000

The money for these gifts is now on deposit as per the following certificate of Treasurer:

FARMERS' AND DROVERS' BANK, LOUISVILLE, KY., Sept. 28, 1872.

This is to certify that there is now on deposit in this bank over half a million of dollars to the credit of the Gift Concert Fund, $500,000 of which is held by this bank as Treasurer of the Public Library of Kentucky, to pay off all gifts to be awarded at the drawing.

R. S. VEACH, Cashier.

FARMERS' & DROVERS' BANK, Louisville, Treasurer.

Numbers run from 1 to 100,000.

Whole Tickets, $10; Halves, $5; Quarters, $2.50.

Two committees of ticket-holders were appointed on 20th November at Louisville (to each of which others will be added on the day of drawing), one to take charge of the wheels before the drawing, and one after to verify the whole. Circulars on application.

Orders may be addressed to Gov. THOS. E. BRAMLETTE, Louisville; J. S. DIBBLE & CO., 154 LaSalle-st., Chicago; L. MANASSE, 91 West Madison-st. (Sherman House); PHILLIPS & HANNA, 267 State-st., and 224 Wabash-av.; P. V. FITZPATRICK, 858 State-st.; HORTON & BROTHER, 687 West Lake-st.; EMERSON & STOTT, West Side Library, 232 West Madison-st.; and Tremont House, Chicago.

CHINA, GLASSWARE, &c.

AT WHOLESALE!

Recent Direct Importations of French China, Bohemian Glassware, Lava & Parian Goods.

Large Lot of French and German Motto Cups & Saucers, Motto Mugs & Toy Sets, China & Bohemian Vases

To the Trade at LOW PRICES.

F. & E. JAEGER, 73 WABASH-AV.

TO RENT.

OFFICES IN THE **Tribune Building**

Are nearly finished. Several are yet untaken. Fire-proof, with vaults. English tile floors throughout. No offices in the city equal these in every first-class respect. Plans of the Tribune Building can be seen at the office of

W. C. DOW, Room No. 1, Nevada Block.

TREES.

LARGE FOREST TREES.

We are now prepared to transplant any quantity of Forest Trees, and warrant them to grow thriftily. For the character of our work we refer to the big trees planted by us on

Ashland-av. and in Lincoln Park.

Parties desiring trees transplanted during the coming winter will please hand in their orders early, so we can prepare the ground before the frost sets in.

NELSON & BENSON, 129 & 131 LaSalle-st., basement of Boone's Block.

FINANCIAL.

Loans Negotiated

On real estate, in the city or suburbs, at current rates.

G. S. HUBBARD, Jr., 168 East Washington-st.

WASHINGTON.

Third Session of the Forty-Second Congress.

The President Submits His Annual Message.

He Congratulates the Country on its Prosperity and Peaceful Relations.

The Condition of Cuba Deplored—No Allusion to San Domingo.

He Suggests a Commission to Examine the Cheap Transportation Schemes.

What the Secretary of the Treasury Says on Our Financial Condition.

He Favors an Elastic Currency, if Under Government Control.

The Natural Growth of the Country the Best Way to Specie Resumption.

The Credit Mobilier Scandal to be Investigated.

Congress Pays Its Tribute to the Memory of Greeley.

The Opening Marked by a General Exhibition of Cordiality.

Special Despatch to The Chicago Tribune.

OPENING OF CONGRESS—IN THE HOUSE.

WASHINGTON, Dec. 2.—The beginning of the third and last session of the Forty-second Congress, so far as the House is concerned, was more interesting than such exercises usually are. The galleries were fairly filled by a respectable assemblage, and the floor gave token of a considerable number of members in excess of a quorum. A pleasanter feeling among members was never known, and Democrats, Liberals and Administration men vied with each other in the heartiness of manner which characterized their intercourse. It was scarcely to be expected that the close of such a bitter political contest, in which personal ideas and criminal charges were a prominent feature, should have left so little resentment as was shown to-day, both before the session began and during its continuance. This state of facts gives promise of an amicable and decorous session, such as has not been known for many years. In the congratulations and greetings among the members of different political shade, if the subject of politics arose it was passed off with a laugh, and there were no longer charges of corrupt voting, nor of party nor of political infidelity. Expressions of respect for Mr. Greeley and of sorrow for his sudden death were heard on every side, and not one word of censure or reproach passed from the lips of the most bitter or thoughtless partisan. The Chaplain gave tone to the general feeling when he bespoke fuller charity and understanding among men. A prominent subject of regret was the defeat of Sunset Cox, whose ready wit and genial manners had become a feature in the House for so many years. His absence will be heartily regretted on both sides of the hall. His standing among his associates, and the regret attending his defeat, were well illustrated in his treatment to-day. He was selected by almost unanimous choice, in an informal manner, to reply to the resolutions of respect offered by Mr. Dawes for Mr. Greeley's character, and he discharged his duty most successfully. He was also chosen to the chair when Speaker Blaine presented the resolution for an investigation into the Credit Mobilier scandal. As soon as the preliminaries of the session had been gone through, the credentials of new members elected to fill unexpired terms, were presented. In consequence of the near-sightedness of the Clerk, the name of Governor Noyes, of Ohio, was called instead of that of Colonel Dodd, who fills A. F. Perry's place, but as he did not present himself, the error was corrected after considerable merriment. After the Greeley resolution had been adopted, General Banks arose, and in a few well chosen terms, and with modest manner, said he was not in harmony with the foreign policy of the Government, and, therefore, begged that the House would accept his resignation as a member and Chairman of the Foreign Committee. The question as to acceptance of his resignation had been put, and the affirmative vote taken, when James Brooks, of New York, protested that the House ought not to accept, and one or two Republicans also urged its withdrawal; so the majority, by this time, saw what an ungenerous act they were about to do, and, when the vote was again put, the majority in favor of Banks remaining at the head of the Committee was large. All the Massachusetts members except Butler voted for Banks; also most of the Ohio members. Garfield did not vote. After the short speech of Mr. Blaine on the Credit Mobilier, and the passage of his resolution, a short recess was taken. Then followed the reading of the President's message, and the House adjourned until to-morrow.

THE PRESIDENT TO ATTEND MR. GREELEY'S FUNERAL.

The decision of the President to attend the funeral of Mr. Greeley in New York on Wednesday, is received here by all parties with great praise. It is known that several members of the Cabinet have also decided to go, and there will be a considerable number of Senators and members, and several citizens and Government officials.

JUDICIAL RESIGNATION.

A report, the accuracy of which seems beyond question, came from the White House, to-day, that Associate Justice Nelson, of the United States Supreme Court, had tendered his resignation of his office to the President. Judge Nelson is over 80 years of age, and his last official act was the signing of the Treaty of Washington, in the negotiation of which he participated as one of the joint High Commission.

CALLERS AT THE WHITE HOUSE.

The Supreme Court, with the Chief Justice at the head, made the usual official call on the President at the beginning of a regular term here to-day.

DISAPPROBATION.

There was an ominous growl among the anti-Civil Service reformers when that part of the President's message was read to-day which relates to Civil Service reform. There is a storm brewing in this direction, which is likely to break out as soon as a sufficient number of this class of politicians are satisfied that the President is really in earnest. At present they only affect to believe that the President will yield to party pressure when this influence is properly brought to bear to secure appointments.

THE LIBERAL SENATORS.

There seems to be more hard feeling toward Senator Schurz on the part of the Republican Senators than any of his Liberal colleagues. The argument that is now principally used is that he should be displaced from the Foreign Relations Committee altogether, not so much because of his hostility to the Administration as from the fact that he is a foreigner, and from the affected belief that his entire sympathies are un-American. This style of argument seems to prevail very largely among the Administration Senators, although nothing definite as yet been agreed on. It may be safely stated that Schurz will be removed from this Committee; that Trumbull will be kept from the Judiciary Committee; and that Fenton will be retired from the Chairmanship of the Committee on Contingent Expenses. It seems to be the general feeling in the Senate that the Liberals should all be humiliated as much as possible. The caucus to settle all the speculations will not be had until to-morrow.

OAKES AMES.

Oakes Ames' arrival here, to-day, was astonishing and unexpected. His own colleagues were of the opinion that this noted Congressman had so much business elsewhere to attend to that he would not find it convenient to be in Washington this winter. To-day, on his own behalf, in reply to numerous interrogatories, Mr. Ames said that so far as he was concerned he was willing that the Investigation Committee should be composed entirely of Democrats, and that the investigation should be thorough enough to satisfy the honest men of all parties in the country. It is wickedly suggested in some quarters, in view of his past reticence on this subject, that Ames is probably now satisfied that the original letters and papers on which the charges were based were now destroyed, and that there is no evidence to be got at outside of McComb's personal statements.

[*To the Associated Press.*]

THREE PER CENTS CALLED.

WASHINGTON, Dec. 2.—The Secretary of the Treasury calls in the 3 per cent certificates from Nov. 7, 1868, to Nov. 22, 1868, of denominations of $5,000 each, numbered 5,178 to 5,408 inclusive, and of denominations of $10,000, and numbered 4,801 to 4,822 inclusive. The amount of certificates described is $850,000, upon which interest ceases Jan. 31, 1873.

THE PUBLIC DEBT.

The public debt has decreased $1,198,229 during the month.

CONGRESSIONAL.

SENATE.

WASHINGTON, Dec. 2.

The Senate met at noon, the Vice President in the chair, and all the leading Senators present, with largely more than a quorum.

The Chaplain, in his opening prayer, alluded to the death of Mr. Greeley as that of one whose pen had given direction to public thought and had been a benefaction to mankind.

The House was notified of the Senate's readiness, and a number of bills were introduced, among them one by Mr. SUMNER, as follows:

RECONCILIATION.

WHEREAS, National unity and good-will among fellow-citizens can be assured only through the oblivion of past differences, and it is contrary to the usage of civilized nations to perpetuate the memory of civil war; therefore,

Be it enacted, &c., That the names of battles with fellow-citizens shall not be continued in the Army Register, or placed on the regimental colors of the United States.

NEW SENATORS.

Mr. STEVENSON (Ky.) presented the credentials of General Machin, Sr., from Kentucky, to succeed Garret Davis, and he was sworn in.

The VICE PRESIDENT presented the credentials of Mr. Morrill, elected from Vermont.

BOSTON FIRE SUFFERERS.

Mr. WILSON introduced a bill for the relief of sufferers by the Boston fire. This bill is similar to bill for the relief of the Chicago sufferers.

PENSION BILL.

Mr. CAMERON (Pa.) introduced a bill granting a pension of $2,000 a year to the widow of General Meade.

All these bills were tabled to await the organization of the Committees.

THE CALENDAR.

Mr. ANTHONY offered a resolution that, at 1 o'clock on Monday next, the Senate proceed to the consideration of the calendar. Laid over.

RESOLUTION OF INQUIRY.

Mr. RICE (Ark.) offered a resolution asking the President to furnish information in regard to the recent application for United States troops to be sent to Arkansas, stating where and by whom the application was made, for what purpose the troops were to be used, and what action has been taken in the matter.

Mr. EDMONDS said the resolution had better lie over.

NATIONAL COLLEGE.

Mr. MORRILL (Vt.) gave notice that, on Wednesday next, he would make remarks on the amendment to the bill for the endowment of the National College.

THE RULES.

Mr. POMEROY offered a concurrent resolution to suspend the twenty-first joint rule, which prohibits the passage during the first six days of the session of any bill remaining over from the last session. Laid over and ordered printed.

Mr. SCOTT (Pa.) offered a resolution reappointing the Senate Conference Committees upon all bills on which committees of conference were appointed last session, and failed to report, or on which the reports made were not disposed of. Laid over.

CIVIL RIGHTS BILL.

Mr. SUMNER moved the present consideration of his Civil Rights bill.

Mr. POMEROY made a point of order that under the twenty-first joint rule it could not be considered.

The VICE-PRESIDENT sustained the point of order.

Mr. POMEROY said he did not raise the point of order because he opposed the bill. He was in favor of it.

RECESS.

The Vice President appointed Messrs. Conkling and Thurman a Committee on the part of the Senate to wait upon the President.

The Senate then took a recess till 1:30 p. m.

IN MEMORIAM.

After the recess, a message was received from the House announcing the adoption of the concurrent resolution in regard to the death of Horace Greeley.

Mr. FENTON moved immediate consideration, and it was unanimously agreed to.

THE MESSAGE.

Mr. CONKLING, from the Committee to wait upon the President, announced that it had discharged its duty, and the President would communicate in writing.

The annual message was then brought in by General Babcock, and read by the Clerk.

Three thousand extra copies of the message were ordered printed.

DEPARTMENT REPORTS.

The VICE PRESIDENT presented the annual reports of the several departments. Tabled.

Senate adjourned.

HOUSE OF REPRESENTATIVES.

CALLED TO ORDER.

The House was called to order at noon by Speaker BLAINE. The attendance was very large, and the galleries were crowded with spectators. The proceedings were opened with prayer by the Chaplain, Rev. J. G. Butler. The roll of members was then called, and 149 answered to their names.

NEW MEMBERS.

The following new members were sworn in: Joseph R. Hawley, Conn.; Constantine C. Esty, Mass.; O. J. Dodds, Ohio; and Erastus W. Beck, of Georgia.

COMMITTEE TO WAIT ON THE PRESIDENT.

A Committee was appointed, consisting of Messrs. Maynard, Tyner, and Potter, to wait on the President, and inform him that the House was in session and ready to receive any communication he might have to make.

RESIGNATION.

Mr. BANKS offered his resignation as Chairman of the Committee on Foreign Affairs, but the House, by a vote of 76 to 59, refused to accept it.

THE CREDIT MOBILIER MATTER.

Speaker BLAINE then called Mr. COX (N. Y.) to the chair, as Speaker *pro tem.*, and took the floor to offer the following resolution:

WHEREAS, Accusations have been made in the public press, founded on the alleged letters of Oakes Ames, a Representative from Massachusetts, and upon the affidavit of Henry S. M'Comb, a citizen of Wilmington, in the State of Delaware, to the effect that members of this House were bribed by Oakes Ames to perform certain legislative acts for the benefit of the Union Pacific Railroad Company by presents of stock in the Credit Mobilier of America, or by presents of a valuable character derived therefrom; therefore,

Resolved, That a special committee of five members be appointed by the Speaker, *pro tempore*, whose duty it shall be to investigate and ascertain whether any member of this House was bribed by Oakes Ames or any person or corporation in any manner touching his legislative duty, and that the Committee be authorized to send for persons and papers.

Mr. BLAINE said he had requested Mr. Cox to appoint a majority of Democrats on the Committee, and made a few remarks challenging investigation.

Mr. ARCHER opposed the motion, on the ground that the scandal had been refuted and investigation was unnecessary.

Mr. RANDALL favored it, as a matter of personal privilege.

Mr. DAWES said he hoped the resolution would be adopted.

The resolution was adopted with a few negative votes on the Democratic side, and Mr. Cox, as Speaker *pro tem.*, appointed as the Select Committee Messrs. Poland, Banks, Beck, Niblack, and McCrary.

THE DEATH OF MR. GREELEY.

Mr. DAWES said: Mr. Speaker. Believing that all will concur in the propriety of the public recognition of events so impressive and so without parallel in the history of this Government, that have recently transpired, I deem it proper to offer the following resolution:

Resolved, By the Senate and House of Representatives, in view of the recent death of Horace Greeley, for whom, at the late election, more than three million votes were cast for President, that a record be made on the journals of Congress of its appreciation for the eminent services and personal purity and worth of the deceased, and of the sad impression created by his death, following a keen family bereavement.

Mr. COX (N. Y.) then paid a feeling tribute to the memory and character of Mr. Greeley, after which the resolution was unanimously adopted.

RESIGNATION AGAIN TENDERED.

Mr. BANKS again rose and offered his resignation as Chairman of the Committee on Foreign Affairs, remarking that it was proper that the House should be represented by one who was unqualifiedly committed to the policy of the majority, as he could not claim to be.

The House, by a vote of 58 to 76, refused to accept the resignation.

INDIAN APPROPRIATION BILL.

Mr. SARGENT, from the Committee of Ways and Means, reported the Indian Appropriation bill, which was made the special order for the 10th inst. He stated that the amount appropriated under it was $5,379,305, being $982,697 less than in the same time last year.

MEMBER RESIGNED.

The Speaker presented the resignation of Mr. Mercer, of Pennsylvania, who has been elected Judge of the Supreme Court of that State.

THE MESSAGE.

After a short recess the President's message was, at 1:40 p. m., received and read. The message was ordered to be printed.

OTHER APPROPRIATION BILLS.

Mr. GARFIELD, from the Committee on Appropriations, reported the Pension Appropriation bill, which was made the special order for Wednesday of next week. The bill appropriates $30,480,000.

The Legislative Executive and Judicial Appropriation bill was also reported, which was made the special order for Thursday of next week.

OTHER BILLS.

Messrs. TWICHELL and BUTLER introduced bills for the relief of the sufferers by the Boston fire. Referred.

Mr. SCOFIELD introduced a bill for the reduction of the officers and expenses of the Internal Revenue Department. Referred.

The House adjourned.

THE PRESIDENT'S MESSAGE.

To the Senate and House of Representatives:

In transmitting to you my fourth annual Message, it is with thankfulness to the Giver of All Good that as a Nation, we have been blest for the last year with peace at home and abroad, and a general prosperity vouchsafed to but few people. With the exception of the recent devastating fire which swept from earth with a breath, as it were, millions of accumulated wealth in the City of Boston, there have been no over-shadowing calamities within the year to record. It is gratifying to note how like their fellow-citizens of the

CITY OF CHICAGO,

under similar circumstances a year earlier, the citizens of Boston are rallying under their misfortunes, and the prospect is, that their energy and perseverance will overcome all obstacles, and show the same prosperity soon that they would have shown had no disaster befallen them. Otherwise we have been free from pestilence, war, and calamities which often overtake nations, and, as far as human judgment can penetrate the future, no cause seems to exist to threaten our present peace.

THE WASHINGTON TREATY.

When Congress adjourned in June last, a question had been raised by Great Britain, and was then pending, which, for a time, seriously imperilled the settlement by friendly arbitration of the differences existing between this Government and that of Her Britannic Majesty; the treaty of Washington had been referred to the Tribunal of Arbitration which had met at Geneva, in Switzerland. The Arbitrators, however, disposed of the question which had jeopardized the whole of the treaty, and threatened to involve the two nations in the most unhappy relations towards each other, in a manner entirely satisfactory to this Government, and in accordance with the views and the policy which it had maintained. The Tribunal which had convened in Geneva in December, concluded its laborious session on the 14th day of September last, on which day, having availed itself of the discretionary power given to it by the treaty to award a sum in gross, it made its decision, whereby it awarded the sum of $15,500,000 in gold, as the indemnity to be paid by Great Britain to the United States, for the satisfaction of all the claims referred for its consideration.

This decision happily disposes of a long standing difference between the two Governments; and, in connection with another award made by the German Emperor, under a reference to him by the same treaty, leaves the two Governments without a shadow upon the friendly relations which it is my sincere hope may forever remain equally unclouded.

The report of the agent of the United States, appointed to attend the Geneva Tribunal, accompanied by the protocols of the proceedings of the Arbitrators; the arguments of the counsel of both Governments; the award of the Tribunal, and the opinions given by the several Arbitrators is transmitted herewith.

I have caused to be communicated to the heads of the three friendly powers who complied with the joint request made to them under the Treaty, the thanks of this Government for the appointment of the Arbitrators, made by them, respectively, and also my thanks to the eminent personages named by them, and my appreciation of the dignity, patience, impartiality, and great ability with which they discharged their arduous and high functions.

Her Majesty's Government has communicated to me its appreciation by Her Majesty of the ability and indefatigable industry displayed by Mr. Adams, the Arbitrator named on the part of this Government during the protracted inquiries and discussions of the Tribunal. I cordially unite with Her Majesty in this appreciation. It is due to the agent of the United States before the Tribunal, to record my appreciation of the marked ability, unwearied patience, and the prudence and discretion with which he has conducted the very responsible and delicate duties committed to him; as it is also due to the learned and eminent counsel who attended the Tribunal on the part of this Government, to express my sense of the talents and wisdom which they brought to bear in the argument of the result so happily reached.

DISTRIBUTION OF THE AWARD.

It will be the province of Congress to provide for the distribution among those who may be entitled to it, of their respective shares of the money to be paid. Although the sum awarded is not payable until a year from the date of the award, it is deemed advisable that no time be lost in making a proper examination of the several cases in which indemnification may be due. I consequently recommend the creation of a Board of Commissioners for the purpose.

THE SAN JUAN SETTLEMENT.

By the thirty-fourth article of the Treaty of Washington, the respective claims of the United States and of Great Britain, in their construction of the Treaty of the 15th of June, 1846, defining the boundary line between their respective territories, were submitted to the arbitration and award of His Majesty the Emperor of Germany, to decide which of these claims is most in accordance with the true interpretation of the treaty of 1846. His Majesty the Emperor of Germany, having been pleased to undertake the arbitration, has the earnest thanks of this Government and of the people of the United States, for the labor, pains and care which he has devoted to the consideration of this long-pending difference. I have caused an expression of my thanks to be communicated to His Majesty. Mr. Bancroft, the representative of this Government at Berlin, conducted the case and prepared the statement on the part of the United States with the ability that his past service justified the public in expecting at his hands.

As a member of the Cabinet at the date of the treaty which has given rise to the discussion between the two Governments; as the Minister to Great Britain when the construction, now pronounced unfounded, was first advanced, and as the agent and representative of the Government to present the case and to receive the award, he has been associated with the question in all of its phases, and in every stage has manifested a patriotic zeal, and earnest in the maintenance of the claim of the United States, he is entitled to much credit for the success which has attended the submission.

After a patient investigation of the case and of the statements of each party, His Majesty, the Emperor of Germany, on the 21st day of October last, signed his award in writing, decreeing that the claim of the Government of the United States that the boundary line between the territory of Her Britannic Majesty and the United States should be drawn through the Haro Channel is most in accordance with the true interpretation of the treaty concluded on the 15th of June, 1846, between the agents of Her Britannic Majesty and of the United States.

Copies of the case presented on behalf of each Government, and of the statement in reply of each, and a translation of the award, are transmitted herewith. This award confirms the United States in their claim to the important archipelago of islands lying between the continent and Vancouver's Island, which for twenty-six years, ever since the ratification of the treaty, Great Britain has contested, and leaves us for the first time in the history of the United States as a nation without a question of disputed boundary between our territory and the possessions of Great Britain on this continent.

It is my grateful duty to acknowledge the prompt spontaneous action of Her Majesty's Government in giving effect to the award. In anticipation of any request from this Government, and before the reception in the United States of the award signed by the Emperor, Her Majesty had given instructions for the removal of her troops which had been stationed there, and for the cessation of all exercise or claim of jurisdiction, so as to leave the United States in conclusive possession of the lately disputed territory. I am grateful to be able to announce that the orders for the removal of troops have been executed, and the military joint occupation of San Juan has ceased. The islands are now in the exclusive possession of the United States.

It now becomes necessary to complete the survey and determination of that portion of the boundary line through the Haro Channel, upon which the Commission, which determined the remaining part of the line, were unable to agree. I recommend the appointment of a Commission to act jointly with one which may be named by Her Majesty for that purpose.

THE ALASKA BOUNDARY.

The experience of the difficulties attending the determination of our admitted line of boundary, after the occupation of the territory and its settlement by those owing allegiance to the respective Governments, points to the importance of establishing, by natural objects or other measurements, the actual line between the territory acquired by purchase from Russia and the adjoining possions of Her Britannic Majesty. The region is now so sparsely occupied, that no conflicting interests of individuals or of jurisdiction are likely to interfere to the delay or the embarrassment of the actual location of the line. If deferred until population shall enter and occupy the territory, some trivial contest of neighbors may again array the two Governments in antagonism. I, therefore, recommend the appointment of a commission to act jointly with one that may be appointed on the part of Great Britain to determine the line between our territory of Alaska and the coterminous possessions of Great Britain.

THE FISHERIES.

In my last annual message I recommended legislation necessary on the part of the United States to bring into operation the articles of the Treaty of Washington of May, 1871, relating to the fisheries and to other matters touching the relations of the United States toward the British North American possessions, to become operative so soon as the proper legislation should be had on the part of Great Britain and her possessions. That legislation on the part of Great Britain and its possession had not then been had, and during the session of Congress a question was raised, which, for the time, raised a doubt whether any action by Congress in the direction indicated would become important,—a question which has since been disposed of, and I have received notice that the Imperial Parliament and the Legislature of the Provincial Government have passed laws to carry the provisions of the treaty on the matters referred to into operation. I therefore recommend your early adoption of the legislation in the same direction necessary on the part of this Government.

NORTHERN BOUNDARY.

The Joint Commission for determining the boundary line between the United States and the British Possessions, between the Lake of the Woods and the Rocky Mountains, has organized and entered upon its work. It is desirable that the force be increased in order that the completion of the survey and determination of the boundary may be sooner completed. To this end I recommend that a sufficient appropriation be made.

FOREIGN RELATIONS.

With France, our earliest ally; Russia, the constant and steady friend of the United States; Germany, with whose Government and people we have so many causes of friendship and so many common sympathies, and the other powers of Europe, our relations are maintained on the most friendly terms.

Since my last annual message, the exchange has been made of the ratifications of a treaty with the Austro-Hungarian Empire relating to naturalization; also, of a treaty with the German Empire respecting Consuls and trade-marks; also, of a treaty with Sweden and Norway relating to naturalization, all of which treaties have been duly proclaimed.

INTERNATIONAL STATISTICAL CONGRESS.

Congress, at its last session, having made an appropriation to defray the expense of Commissioners on the part of the United States to the International Statistical Congress at St. Petersburg, the persons appointed in that character proceeded to their destination, and attended the sessions of the Congress. The report shall, in due season, be laid before you. This Congress meets at intervals of about three years, and has held its sessions in several of the countries of Europe. I submit to your consideration the propriety of extending an invitation to the Congress to hold its next meeting in the United States. The centennial celebration to be held in 1876 would afford an appropriate occasion for such meeting.

THE VIENNA EXPOSITION.

Preparations are making for the International Exposition, to be held during the next year in Vienna, on a scale of very great magnitude. The tendency of these Expositions is in the direction of advanced civilization and the elevation of industry, of labor, and the increase of human happiness, as well as of greater intercourse and good will between nations. As this Exposition is to be the first which will have been held in Eastern Europe, it is believed that American inventors and manufacturers will be ready to avail themselves of the opportunity for the presentation of their productions, if encouraged by proper aid and protection. At the last session of Congress authority was given for the appointment of one or more agents to represent this Government at the Exposition. The authority thus given has been exercised, but in the absence of any appropriation there is danger that the important benefits which the Exposition offers will, in a large degree, be lost to citizens of the United States. I commend the subject strongly to your consideration, and recommend that an adequate appropriation be made for the purpose.

To further aid American exhibitors at the Vienna Exposition, I would recommend, in addition to an appropriation of money, that the Secretary of the Navy be authorized to fit up two naval vessels to transport between our Atlantic cities and Trieste or the most convenient port to Vienna, and back, their articles for exhibition.

OUR RELATIONS WITH MEXICO.

Since your last session, the President of the Mexican Republic, distinguished by his high character and his services to his country, has died. His temporary successor has now been elected with unanimity by the people,—a proof of confidence on their part in his patriotism and wisdom which, it is believed, will be confirmed by the results of his Administration.

It is particularly desirable that nothing should be left undone by the Government of either Republic to strengthen their relations as neighbors and friends.

It is much to be regretted that many lawless acts continue to disturb the quiet of the settlements on the border between our Territory and that of Mexico, and that complaints of wrong to American citizens in various parts of the country are made. The revolutionary condition in which the neighboring Republic has so long been involved, has in some degree contributed to this disturbance. It is to be hoped that with a more settled rule of order throughout the Republic, which may be expected from the present Government, the acts of which just complaint is made will cease.

The proceedings of the Commission under the Convention with Mexico of the 4th of July, 1868, on the subject of claims, have unfortunately been checked by an obstacle, for the removal of which measures have been taken by the two Governments which it is believed, will prove successful. The Commissioners, appointed pursuant to the joint resolutions of Congress, of the 7th of May last, to inquire into depredations on the Texas frontier, have diligently made investigations in that quarter. Their report upon the subject will be communicated to you. Their researches were necessarily incomplete, partly on account of the limited appropriations made by Congress. Mexico, on the part of that Government, has appointed a similar Commission to investigate the outrages. It is not announced officially, but the press of that country states that the fullest investigation is desired, and that the co-operation of all parties concerned is invited to secure that end. I therefore recommend that a special appropriation be made at the earliest day practicable, to enable the Commissioners on the part of the United States to return to their labors without delay.

CUBA.

It is with regret that I have again to announce a continuance of the disturbed condition of the Island of Cuba. No advance toward the pacification of the discontented portion of the population has been made, while the insurrection has gained no advantages, and exhibits no more of the elements of power, or of the prospect of ultimate success, than were exhibited a year ago. Spain, on the other hand, has not succeeded in its repression, and the parties stand apparently in the same relative attitude which they have occupied for a long time past. This contest has lasted now for more than four years. Were it seen at a distance from our neighborhood, we might be indifferent to its result, although humanity could not be unmoved by many of its incidents wherever they might occur. It is, however, at our door. I cannot doubt that the continued maintenance of slavery in Cuba is among the strongest inducements to the continuance of the strife. A terrible wrong is the natural cause of a terrible evil. The abolition of slavery and the introduction of other reforms in the administration of Government in Cuba could not fail to advance the restoration of peace and order. It is especially to be hoped that the present liberal Government of Spain will voluntarily adopt this view. The law of emancipation, which was passed more than two years since, has remained unexecuted in the absence of regulations for its enforcement. It was but a feeble step toward emancipation, but it was the recognition of right and was hailed as such, and exhibited Spain in harmony with the sentiments of humanity and of justice, and in sympathy with the other powers of the Christian and civilized world. Within the past few weeks the regulations for carrying out the laws of emancipation has been announced, giving evidence of the sincerity of intention of the present Government to carry into effect the law of 1870. I have not failed to urge the consideration of the wisdom, the policy, and the justice of a more effective system for the abolition of the great evil, which oppresses a race, and continues a bloody and destructive contest close to our own border, as well as the expediency and the justice of conceding reforms, of which the propriety is not questioned. Deeply impressed with the conviction that the continuance of slavery is one of the most active causes of the continuance of the unhappy condition in Cuba, I regret to believe that citizens of the United States, or those claiming to be such, are large holders in Cuba of what is there claimed as property, but which is forbidden and denounced by the laws of the United States. They are thus, in defiance of the spirit of our own laws, contributing to the continuance of this distressing and sickening contest. In my last annual message I referred to this subject, and I again recommend such legislation as may be proper to denounce, and, if not prevent, at least to discourage, American citizens from holding or dealing in slaves.

SPAIN AND THE PACIFIC REPUBLICS.

It is gratifying to announce that the ratification of the convention concluded under the auspices of this Government between Spain on the one part and the Allied Republics of the Pacific on the other, providing for an armistice, has been exchanged. A copy of the instrument is herewith submitted. It is hoped that this may be followed by a permanent peace between the same parties.

BRAZIL AND THE ARGENTINE REPUBLIC.

The differences which at one time threatened the maintenance of peace between Brazil and the Argentine Republic, it is hoped, are in the way of satisfactory adjustment. With these States, as with the Republics of Central and South America, we continue to maintain the most friendly relations.

THE VENEZUELA CLAIMS.

It is with regret, however, I announce that the Governor of Venezuela has made no further payments on account of the awards of the Convention of the 25th of April, 1866. That Republic is understood to be now almost, if not quite, tranquilized. It is hoped, therefore, that it will lose no time in providing for the unpaid balance of its debt to the United States, which, having originated in injuries to its citizens by the Venezuelan authorities, and having been acknowledged pursuant to a treaty in the most solemn form known among nations, would seem to deserve a preference over debts of a different origin, and contracted in a different manner. This subject is again recommended to the attention of Congress for such action as may be deemed proper.

JAPAN.

Our treaty relations with Japan remain unchanged. An imposing Embassy from that interesting and progressive nation visited this country during the year that is passing, but being unprovided with power for the signing of a convention in this country, no conclusion in that direction was reached. It is hoped, however, that the interchange of opinion which took place during their stay in this country has led to a mutual appreciation of the interests which may be promoted when the revision of the existing treaty shall be undertaken. In this connection, I renew my recommendation of one year ago, that to give importance and to add to the efficiency of our diplomatic

RELATIONS WITH JAPAN AND CHINA,

and to further aid in maintaining the good opinion of these people, and to secure to the United States its share of the commerce destined to flow between these nations and the balance of the commercial world, an appropriation be made to support at least four American youths in each of these countries to serve as a part of the official family of our Ministers there. Our representatives would not even then be placed upon an equality with the representatives of Great Britain or some other powers. As now situated, our representatives in Japan and China have to depend for interpreters and translators upon natives of those countries, who know our language imperfectly, or procure for the occasion the services of employes in foreign business houses, or the interpreters to other foreign Ministers.

THE INTERIOR DEPARTMENT.

I renew the recommendation made on a previous occasion, of the transfer to the Department of the Interior, to which they seem more

[*Continued on the Fourth Page.*]

CHICAGO.

First Meeting of the New Common Council.

Second Annual Message of Mayor Medill.

A Year of Settlement, Liquidation, Retrenchment, and Restoration.

Public Affairs Conducted with Care, Fidelity, and Economy.

Financial Condition of the City---Special Assessments.

The New Water Works and Tunnel---Safeguards Against Fire.

Communication from Corporation Counsel Tuley.

A regular meeting of the Council was held yesterday evening, the Mayor in the chair. Present, Aldermen Bowen, Richardson, Dixon, Warren, McGenniss, Coey, McAvoy, Sidwell, Stone, Pickering, Tracey, Schmitz, Clowry, Bailey, Powell, O'Brien, Bond, Clark, Sweet, Kehoe, Heath, Miner, Sherwood, Moore, Cleveland, Quirk, McGrath, Eckhardt, Stout, Mahr, Lengacher, Carney, Cannon, Ogden, Brandt, Woodman, Corcoran.

The Mayor then read the following message:

THE MAYOR'S ANNUAL MESSAGE.

GENTLEMEN OF THE COMMON COUNCIL: A year has intervened since I met the Common Council to deliver my first Message. It has been a year crowded with important municipal events. Its commencement was gidomy in the extreme. Our beloved city was in a deplorable condition. Fifteen thousand families, swept from their comfortable homes by the billows of flame, were subsisting on the charities of the world, huddled into school-houses, churches, halls, or shivering in improvised shanties, or quartered on less unfortunate neighbors and friends. And almost an equal number, not actually burnt out of house and home, found themselves suddenly deprived of business, employment, and means of subsistence at the beginning of a long and dreary winter. Nearly $200,000 souls were thus cut short, without an hour's warning, of income, and half this multitude of homes, furniture, clothing, fuel, food. I look back to that dark and dismal time with a shudder, and I confess to you, gentlemen, that I entered upon the discharge of the Mayoralty with many misgivings as to my strength of body and mind to meet the requirements of the office and the reasonable demands of the people, and would most gladly have foregone the honors of the position to have escaped the perils and perplexities of the situation. But I was most fortunate in having the assistance and support of an excellent Common Council, who have labored throughout the year faithfully and unselfishly with an eye single to the public welfare. To the members of the outgoing Council I tender my sincerest thanks and acknowledgments for the cordial and invaluable support they have given my Administration throughout this trying year. And to the able Finance Committee and its clear-headed Chairman I feel especially indebted for tireless aid in helping to unravel and extricate the fiscal affairs of the city from the sore confusion in which the great fire left them. I part official relations with the outgoing members of the old Council with deep regret, but trust I shall find in their successors elect gentlemen actuated by as high a public spirit, and possessing as much legislative ability and integrity.

The new Administration entered upon its duties with a depleted Treasury, with a multitude of claims pressing for payment, a large floating debt,—the collection of taxes being out of the question,—surrounded by the wrecks and embers of destroyed public property, with its books and papers, maps and records, vouchers and warrants in appropriations based on prosperous times and unlimited resources, had been made in anticipation of revenue not collected. These appropriations had been expended for all kinds of works and purposes, and paid for, in large part, out of borrowed moneys and special funds that must be replaced, and the residue was left in the shape of unpaid vouchers, unsettled accounts, claims, draw-backs, certificates of indebtedness, bills for damages, and balances due contractors. And everybody who had claims against the city wanted his money.

The previous Council had inconsiderately rescinded $1,442,790 of the next taxes; and the General Assembly for the relief of losers by fire, had ordered rebates to be made of municipal taxes on destroyed property, which together left the new Administration hardly half enough means with which to discharge the obligation incurred by the previous one. To this legacy of debts and abbreviated resources were to be added the cost of replacement of the burnt bridges and viaducts, school houses, engine houses, and fire apparatus, police stations, city hall, sidewalks, fire hydrants, lamp posts, furniture, stationery, books, maps, etc., and the repairing of the water works, service pipes, catch basins, sewers, and many other things too numerous to mention, and all this work to be done when labor and materials had greatly advanced in consequence of the unusual demand caused by the fire. To meet all these requirements, we had an empty Treasury on which to draw, and half a million of semi-annual interest on the city bonded debt to provide for within three weeks, and the credit of a city seemingly ruined on which to negotiate temporary loans.

INAUGURATION OF RETRENCHMENT.

The first thing that was done to meet these strokes of misfortune, improvidence, and unwisdom, was to inaugurate a system of economy, retrenchment in every department and branch of the municipal service. I pressed the obvious necessity of this course upon the Common Council in my inaugural message, and upon all the Boards and heads of departments at every conference; and I am glad to say that they all appreciated the necessity therefor, and have gone in that direction as far as practicable. It would be difficult to specify in what branch of municipal service much greater economy could have been practised without causing an injury to the public greater than the value of the money that might have been saved, for there is such a thing as carrying economy to a degree where it acts on the body-politic as insufficient food on the animal system.

But, had it not been for the timely assistance received from the State in the part payment of the city's mortgage on the canal, it is difficult to conceive how the City Government could have met its obligations, supported her Fire and Police Departments, paid the interest on its debt, and preserved its credit.

With the money received from that quarter and the revenue from the unrepealed taxes, by rigid economy and careful husbanding of resources, together with temporary loans, we have got through the year far better than was anticipated at the outset. The credit of the city has been maintained without blemish; the employes have been punctually paid; all the departments kept in good working condition; contractors' estimates have been met as they accrued, and thousands of old claims in the shape of rebates on special assessments and balances due on previous year's contracts, and unsettled accounts of various kinds, have been adjusted and liquidated.

The accounts of the city as a whole, are in better condition now than before the fire. There are fewer persons by thousands who have just claims against the city at present than in 1871. It has been a year of settlement, liquidation, retrenchment, and restoration.

The public affairs of the city have been for the past year conducted with as much care, fidelity, and economy as officers of well-managed private corporations bestow thereon, or citizens having large and complicated business employ in their own affairs. And this is as high a standard of management as tax-payers can reasonably expect in the municipal administration of a great city, handling millions of money, employing thousands of men, and touching the public at as many points in their daily life as the very atmosphere they breathe.

FINANCIAL CONDITION OF THE CITY.

I was unable to present the Common Council last year with more than a brief and imperfect statement of the fiscal affairs of the city, but I am prepared now to go into details, and furnish a more comprehensive *resume*:

Amount of existing bonded debt	$13,540,000
Floating debt and certificates of indebtedness	1,875,406
Estimated expenses for November, unpaid	210,000
Estimate of general expenses for balance of fiscal year, Dec. 1, 1872, to April 1, 1873	1,561,000
Of the certificates outstanding there will mature on or prior to April 1, 1873	840,167
Interest on bonded debt, due Jan. 1, 1873	468,307

To meet these obligations as they fall due, are the general taxes of 1872, amounting to 15 mills on $283,473,220 of taxable property

	4,253,098
Amount expected to be received from State in 1873, about	1,100,000
Rents, licenses, fines, etc., estimated	500 00

There were received during the year ending Dec. 1, 1872, from various sources of revenue the following sums:

From general taxes of 1871	$ 2,309,730
From the State since Dec. 1, 1871	1,571,000
Rents of all kinds	92,633
Licenses of all kinds	225,097
Fines of all kinds	117,852
Reform School	9,316
Pounds	3,684
From sale of real estate	8,500
Special assessments collected since Dec. 1, 1871	176,802
Interest received on city deposits	30 000
General taxes of 1871 not yet paid on personal property, mainly bank taxes enjoined	$108,530
Real estate (appealed)	75,857
Certificates of taxes bought in and held by the city	28,436
	$219,823
Special assessments, appealed	49,734
Ditto technical objections sustained by Court	252,232
	301,966

There have been 10,282 applications for rebate of taxes on burnt property representing taxable property to amount of $41,913,630
Amount of rebate granted on same 271,385
This sum has been allowed and deducted from the general taxes of 1871

It is estimated that $50,000 will cover all future applications for rebate by reason of the fire.

There have been paid out since Dec. 1, '71, rebates on special assessments for street improvements, collected by the previous Administration, and suspended for other purposes, the sum of $190,905. There is a considerable balance yet to be paid on these old claims.

There has been paid to contractors for street improvements, and to claimants for land damages, for patent fees on Nicholson pavement, to contractors on water-service pipe and private drains, etc., the sum of $269,690, the larger part being money collected previous to Dec. 1, 1871, and expended for other purposes. As there have been scarcely any special assessments made this year, there has been no excess of assessments to counter-balance the foregoing outlay, spent by the previous Administration, and the settlement of these rebate claims help to swell our certificates of indebtedness by nearly half a million of dollars for money borrowed to pay them.

There was standing to the credit of the various special funds on Dec. 1, 1871, the sum of $1,556,333. But the necessities of the Administration obliged it to borrow therefrom $1,144,152, which the present Administration has replaced. It will be necessary to draw on this fund between now and April 1, 1873, to redeem maturing certificates of indebtedness. But this money will be speedily refunded from the receipts of taxes.

There stood to the credit of the various special funds Dec. 1, 1872, the following amounts:

Water Fund—Balance for tunnel extension, new pumping works, etc	$ 929,858
School Building Fund—From sale of bonds, balance	7,633
City Bridewell Fund	41,458
Jonathan Burr Fund, including interest	38,745
	$1,017,794
Cash on hand Dec. 1, 1872	$1,103,270

BOARD OF PUBLIC WORKS—EXPENDITURES.

The expenditures of the Board of Public Works from April 1, 1872, to Dec. 1, 1872, being eight months of the present fiscal year, and for which vouchers have been issued, were as follows: $1,794,586. This includes all that has been expended for the restoration and repair of burnt public property of all kinds, including school houses, bridges, engine houses, fire stations, engine houses, Water Works, City Hall, Public Library, and sidewalks, as well as sewerage and water extensions. It also includes the large deficit for deepening the canal in excess of the $3,000,000 authorized by law, amounting to $276,025, for which certificates of indebtedness were issued.

There has been expended since the fire in rebuilding burnt bridges and viaducts the sum of $382,237

For rebuilding school houses, including furniture and heating apparatus, &c $

Building engine houses $4,440

There have been laid in the city since Dec. 1, 1871, twenty-one and half miles of water pipe, making the total length laid up to this date, 509½ miles. There have been built eight and one-tenth miles of sewers since Dec. 1, 1871, which raises the total to 294 acres. The total length of sewers now in this city is 169 1-10 miles, and the total area drained thereby is 4,372 acres, or a little less than seven square miles, or double the space burned over by the great fire. The total cost of constructing these sewers to date has been $3,196,386.

The total cost of the Water Works, including all expenditures, amounts to about five and a quarter millions.

There have been constructed since the fire 100⅝ miles of sidewalk, of which 25,000 feet is of stone flagging, being something less than five miles. These lengths include all that was constructed outside of the burnt district. The total length of sidewalks destroyed by fire was estimated by the Board of Public Works at 122 miles.

SPECIAL ASSESSMENTS.

I devoted considerable space in my inaugural message to the subject of special assessments for street openings and improvements, and the uncomfortable position in which certain extraordinary decisions of the reconstructed Supreme Court had placed the city; and I strongly urged the Common Council to make no more special assessments under the existing laws and late rulings of the Court; but, in view of these unlooked for decisions which overthrow all the previous doctrines of that tribunal on the subject, to stop all proceedings, revoke all lettings where the same was possible to be done, and to repeal all new special assessment ordinances, contemplating street paving or street extensions, and to require property-owners who desired to improve their streets to bargain directly with the contractors therefor, as it was unsafe for the city to touch a street unless it intended to foot the bills, as it was simply impossible for it to make an assessment which could be collected by legal process.

This course has been strictly pursued during the year, and the Board of Public Works have not been caught in the legal trap to the amount of a dollar. It is true that street improvements have nearly come to a standstill, but better that than incur liabilities for which no appropriations have been made.

The General Assembly, at its last session, enacted an amendment to the charters of cities, known as Article IX., which provides a new method of conducting special assessment proceedings, which, it is believed, will meet with better favor before the Supreme Court. A large number of proceedings have been begun under it for street improvements and extensions. The process is somewhat tedious and expensive, but it is the only mode yet devised safe to pursue, under the peculiar circumstances.

Whether the city will be eventually mulcted for the uncollected balances due contractors on special assessments, is not yet determined. The Court has modified some of its previous rulings, and the property-owners who have appealed may eventually be compelled to pay for the streets graded and paved for their benefit. But the city has lost its suit against the Horse Railway Companies for street paving. The Court has decided that, under their charters and contracts with the city, they are not liable to assessment for grading and paving streets along which their tracts may run, but are only bound to keep in good repair a stipulated width of street.

There is due contractors for this class of work the sum of $43,880, which it will become necessary for your honorable body to provide for by appropriation and for in the next fiscal year, as the Court has decided that neither the property-owners nor the Horse Railway Companies can be compelled to pay it, but the city must.

There is due contractors for work done under street assessments $210,130, which the persons whose property was benefited by the improvements refuse to pay, but have taken appeals to the Supreme Court. These claims are in addition to those involved in the horse railroad dispute. The modified rulings of the Supreme Court seem to hold out a prospect that new assessments may be made in a manner pointed out in the decision, which will enable the city to collect the balances due and pay off the contractors.

There are nineteen street-opening proceedings incomplete by reason of resistance of property-owners in paying their assessments for benefits received. The total amount assessed damages for those street openings is $770,940; the amount collected for benefits, $577,089, which has been paid over to the parties entitled thereto. The uncollected balance amounts to $193,581, which those who should pay it are trying to throw on the city. I am unable to form any definite opinion as to the result of the litigation. For the Dearborn street extension there remains unpaid $17,036; for that of Michigan avenue, $18,196; for that of Franklin street, $36,911; for widening State street to Monroe, $52,845, and, besides various smaller amounts, there is uncollected, for extending Milwaukee avenue, $41,802.

In regard to this last named extension, it is of very questionable utility, and the opinion begins to prevail that it had better be abandoned, and an effort be made to sell back the condemned property to those from whom it was taken, and return the proceeds to those who have paid their assessments. The proposed extension, if completed, will be of very little value to the general public, and it will cost them a very heavy sum of money to build and maintain long viaducts over the several railroads which will cross it diagonally. Nearly the whole length of the extension will require to be protected with viaducts, and, when they are erected, there will be very little travel over them on account of the impediment. People will still prefer the Lake and Halsted route to Milwaukee avenue. The diagonal route of the opening cuts all the lots into triangles, which ruins them for most uses; hence the heavy claims for damages, and heavy assessments for questionable benefits, and the persistent resistance of those assessed to pay for an improvement which they deem of no benefit to their property.

THE NEW WATER WORKS AND TUNNEL.

The long controversy in regard to the location of the new Water Works is at last settled by the purchase of a block of ground on Ashland avenue, near Twenty-second street; which contains about 136,000 square feet, or three acres and a half, with 200 feet of dock on the west side thereof, and a railroad track on the north front. The purchase price is $63,000; the city, by previous agreement with the seller, deducted about $28,000 of disputed and appealed general and special taxes therefrom. I regard the price as fair and reasonable, and the lot well located for the purposes contemplated.

The new tunnel, extending under the city from the old to the new works, will be four miles in length, and seven feet diameter. It will be capable of conveying from the lake 160,000,000 of gallons of water per twenty-four hours. The Board of Public Works intend to have it completed at an early day, as it can be constructed in sections by sinking shafts at several points, and therefore it may be pushed rapidly. The cost may be roughly estimated at half a million of dollars.

It is the design, I understand, to tap it at numerous places where it passes under streets with an artesian head. The water will rise in these wells within a few feet of the surface. To each tube a fire-hydrant can be attached, from which two engines may draw water. Thus through the very heart of the city there will always be a sure supply of water with which to combat fire, independent of that furnished by the pumps and water-mains.

The cost of this tunnel and that under the lake, together with the new works to be erected on the Ashland avenue lot, will considerably exceed the unexpended proceeds of the water-bonds, and the deficit must be made good by taxation.

SAFEGUARDS AGAINST FIRE.

In this connection I desire to repeat the recommendations in regard to the necessity of additional preventions and safeguards against the danger of fires, contained in my special message to the Common Council of Nov. 21, 1870. The Finance Committee reported an ordinance carrying out these recommendations, in a slightly modified form; but the last Council had not sufficient time to act thereon. I trust it will be taken up by the present Council, and carried into effect without delay. The best time to combat a fire is before it gains uncontrollable headway. There is always a time during which a fire is manageable if extinguishers can be brought to bear upon it. A few minutes' time, more or less, often determines the question whether a fire can be quenched or not. A chemical extinguisher quickly brought to bear will put out a fire which with ten minutes' longer headway may defy the whole Fire Department. The great fire in Boston broke out in a five-story building with a Mansard fire-trap roof, and burned unchecked forty minutes. It was then too late to conquer it until it had done its terrible work. Our Chicago conflagration had nearly half an hour's start in the midst of pine rookeries and aided by a strong, dry wind, before it was seriously molested by the steamers. By that time it laughed to scorn the puny efforts of the firemen, and swept onward until half the city was destroyed. If ever we have another destructive conflagration, it will be from the same cause, viz.: delay in getting the extinguishers at work.

The most reliable of all insurance is prevention of fires; the exercise of such care and precautions as will prevent them from breaking out. Next best thing to do, is to adopt such remedial measures as will bring an extinguisher to play on it in less than five minutes from its commencement, or at the earliest possible moment after its discovery.

Let me recapitulate the suggestions embraced in the special message, and incorporated in the proposed ordinance:

1. The purchase and distribution, among the police stations, of chemical fire extinguishers. 2. The erection of a bell tower to give alarms of fire. 3. Access to the river at the street-ends, for the fire-engines, by clearing away obstructions. 4. More fire members. 5. An increase of the police force, in order that outbreaks of fire may be quickly sent to headquarters, as well as for the better protection of life and property, the present force being quite inadequate for the proper discharge of duty. Insurance has become so costly and precarious that our chief reliance for safety against fire must be in precautionary and preventive measures. The average cost of insurance in this city now exceeds the taxes on the same property. From this fact some idea can be gained of the expense of insurance and the necessity for the adoption of such safeguards as will reduce the chances of destructive conflagrations.

BRIDGEPORT RENDERING ESTABLISHMENTS.

A vigorous effort has been made by the Health Department during the past season to suppress and abate the noxious odors arising from the rendering, soap-boiling, and other establishments which manipulate putrid flesh in the southwestern sections of the city. Only moderate success has attended these efforts. The owners, from long contact with the offensive gases their business generates, seem to become unconscious thereof, and utterly indifferent to the suffering of the public thereby, and it is very difficult to make them appreciate that they are creating intolerable nuisances. Each stoutly asserts his innocence, and denies the impeachment. They have been numerously prosecuted, indicted, and fined, and repressed to a certain extent. But so long as enormous and ever-increasing quantities of decaying animal matter is permitted to be rendered and manufactured within the city limits, in the summer season, just so long will the noxious effluvia be generated therefrom, and be spread over the city by the westerly winds to suffocate and poison the people. This class of business should all be carried on at a considerable distance beyond the corporate limits. Whatever methods science may devise for neutralizing those offensive gases, by means of fire or disinfectants, there will always remain, in vicious activity, the pecuniary interests of the proprietors to avoid expense and trouble, and the slothful carelessness of employes in using the preventive appliances.

OGDEN SLIP AND HEALEY SLOUGH.

Great complaints were made to me last summer concerning the filthy condition of the "Ogden Slip." I first resorted to dredging, but discovered little improvement therefrom. After careful examination, I became convinced, in the face of all denials to the contrary, that the slip was befouled by the washings of blood and other animal matter into it from the neighboring rendering and slaughtering establishments. Steps were then taken to cause the guilty firms to construct a sewer that would convey these washings into the South Branch where there is considerable current. The beneficial effect was immediate. The water in the slip has become comparatively pure and clear, and is no longer offensive to the public.

The condition of Healey Slough is also greatly improved since the rendering houses have been forced to disconnect with it, and find other outlets for their fluid, filth, and putrid matter.

THE NORTH BRANCH.

The deepening of the canal from Bridgeport to Lockport, permitting lake water to flow through it, has for eighteen months purified the Chicago River, the South Branch, and other slips connecting therewith. But it has made comparatively little impression on the North Branch except for a short distance from its mouth. The condition of this bayou in warm weather is very bad and detrimental to health, as well as injurious to the value of property along its banks and for some distance away from it. It will grow worse from the increasing sewage thrown into it. The Engineering Bureau of the Board of Public Works have prepared plans for its purification, to be carried into effect whenever the tax-payers, through the Common Council, are willing to be taxed half to a quarter of a million for the cost of the work. The most I am prepared to recommend at present is, that this important improvement should be commenced at the earliest moment the fiscal condition of the city will permit.

STREET VIADUCTS.

The outgoing Common Council granted right of way into the city for twelve new railroads, on four separate routes—three roads to use the tracks of each route. In granting these privileges, ordinances in the nature of contracts were drawn with great care, guarding the city's rights and interests. The companies are required to build and maintain viaducts and approaches at all the streets they may cross, and save the city harmless against all damages growing out of the passage of the ordinance. They must permit connections with other roads, and allow side-tracks to warehouses, coal and lumber yards, and manufactories within 1,000 feet thereof, to connect with them, and to keep in good repair so much of the streets and crossings as may be occupied by the

Previous Councils granting right of way to railways neglected to insert these clauses in ordinances. Hence they refuse to erect and maintain viaducts over their tracks except in certain cases where it is their special interest to do so. But the time has come when the City Government must assert its police powers, and compel the railroad companies to build and maintain viaducts over all the streets they obstruct. They have no right to endanger life and impede travel, and incumber street-crossings with trains, and inflict enormous damage on the citizens, in order to escape the cost of providing the people a mode of unobstructed transit, free from peril to person and property. I know of no more important subject which can engage your attention than devising regulations and ordinances which will force the railway companies to cease their aggressions at the street-crossings on the long-suffering people. It is entirely out of the question for the City Government to assume the cost of building all the viaducts and approaches at street-crossings, and maintain the same. The railroads should not expect it, and the Treasury will not be able to bear it. The people have the first and best right to the use of their streets and highways; and where a railway cannot cross a street on grade without doing damage and injury to them, it becomes the duty of the company to carry their tracks either so far below or above the highway as to leave the free use thereof to the public to whom it belongs. The simplest solution of the antagonism of interests is for the companies to build viaducts with easy approaches thereto. The public would be willing to accept this compromise; anything less they will and should not.

There are various other matters upon which I should like to remark, but the length of this communication precludes them.

As to the question of the collection of municipal taxes and special assessments, I have consulted with the Law Department, and herewith present the views of the Corporation Counsel thereon, together with his statement of the present status of various suits before the Supreme Court, involving special assessments for street openings and improvements.

That I predicted in my inaugural message, concerning the rapidity of the recovery of this city from its fearful losses inflicted by the fire of October, 1871, has more than come to pass. We can look around on a city almost restored in the brief period of a year; with taxable property equal to that before the fire; with a trade and commerce largely increased; with tens of thousands of new-comers added to our population; with general good health; with hopes and prospects of continued growth and progress in the future as in the past; and, is it too much to add, with a zealous and prudent municipal administration to protect and promote the rights and interests of the people?

JOSEPH MEDILL, Mayor.

TAXES AND ASSESSMENTS.

The communication from the Corporation Counsel, referred to by the Mayor, is as follows:

Hon. Joseph Medill, Mayor:

I am informed that the total amount of assessments, prior to 1872, uncollected from property-holders, is $643,808.83, of which $193,851.80 are for street openings and other condemnations. New assessments have been made to the amount of $216,368.39, warrants for the collection of which are now in the hands of the City Collector. The remainder of the amount is in litigation, about $300,000 of which is pending on appeals from the County Court on Collector's return made in June last. There is due to contractors, for work done under assessments, $253,999.48. The decision of the Supreme Court in the case of Norton *vs.* City, referred to in your last annual message, in my opinion makes the city liable for $43,860.03, this being the amount of assessment on horse railroad companies uncollected, for which the city is liable. The city, having no right to assess such railroad companies, is liable to pay the respective contractors who did the work under those assessments.

The case of Rich *vs.* City, upon which, as stated in your last message, the Supreme Court of this State had granted the city a rehearing, has been decided. The former opinion is much modified by the opinion delivered upon the rehearing, and, while the city, by the decision, is relieved from any liability as to street condemnations which have been completed, yet the Court adheres to so much of the opinion as permits any defence to be made upon the application for judgment, which tends to show that the assessment ought not to be collected.

The Legislature having provided a new system for making condemnations of property for opening streets, that decision is not of much practical importance to the city, except so far as the collection of the assessments for streets already opened. The amount of which uncollected assessments, as before stated, is $193,851.80.

Inasmuch as the new law which has been adopted by the city makes provision for notice by publication and by mail to property owners, and gives them a right to a jury trial before any warrant can issue upon an assessment, it is believed that assessments hereafter made can be more easily collected than under the old system or mode, and that the rulings of the Court will be more favorable to municipal corporations seeking to improve their cities. A rehearing was also granted to the city in the Boyden case, referred to in your last message, in which the Supreme Court held, in effect, that no more assessments could be made upon those who had successfully resisted the first assessment.

The Supreme Court sustained its former decision against the city, but not on the same grounds, and in the case of the Building Association *vs.* the City of Chicago, decided at about the same time as the rehearing upon the Boyden case, the Supreme Court have decided that under the charter provisions such new assessments may be made in a manner pointed out in the decision.

All the assessments for improvements of the streets in the year 1869, prior to December of that year, were made upon a form of ordinance which has been held to be void by the recent decision, in the case of The Union Building Association *vs.* The City, above referred to; yet the Court held, in that case, that a valid, new, or reassessment *could be made* under the Charter.

There is believed to be no difficulty in making these new assessments in the manner required by the construction given to the Charter by the Supreme Court, and that those who have congratulated themselves upon having escaped their just share of the cost of improving the streets can be forced to pay.

The city, as to the collection of its taxes and special assessments, has met with many difficulties resulting from the destruction by the great fire of October, 1871, of the warrants issued for the collection of the same, and although every effort was made to obtain the legislation deemed necessary, but little was accomplished in that direction. Legislation was a tedious process under the provisions of the new Constitution, and the great amount of general legislation made necessary by that instrument, together with the great diversity of views upon revenue matters, all tended to render it difficult to obtain the legislation necessary for our city.

It is probable that, at the coming session, when the restrictions of the new Constitution will be better understood, and the work of legislating thereunder will have become easier, not only the legislation for our own city, but also that for the entire State, so far as the more perfect collection of the revenue is concerned, will be better matured than was possible at the last session.

Under the legislation of last winter, applications for judgment must be made to the County Court, an appeal is allowed to the Circuit Court, and from that Court to the Supreme Court. This gives one year certain, and probably two, to the party contesting. This appeal is granted upon a bond sufficient to secure the same money, but appeal should be to the Supreme Court from the County Court, and the bond required should be double the amount of the tax or assessment appealed from.

The law should also provide that the County Judge should have power in cases in which the object of the defence appeared to be only to gain time, to require the payment of the tax contested into the Court to abide by the result of the appeal.

It should be also provided that a suit could be instituted in the name of, or for the benefit of the Municipal Corporation against the person owning or claiming the property assessed, and that the burden of proving that the tax was not properly assessed, that it was not due, and the defendant not liable therefor, should be cast upon the person resisting the tax.

The law should make the appearance of the owner or party claiming interest in the property a waiver of all questions as to jurisdiction, so far as his title to the property is concerned, and if any mistakes have been made, or errors committed which do not affect the substantial justice of the tax, the mistake or error should be permitted to be corrected in open court by the officer who is in fault. All amendments which are practicable, and which are allowed in other civil cases, should be allowed in all proceedings for the collection of taxes or assessments.

I believe that the city, county, and State will find it impracticable under the present general revenue laws to collect their revenues in this county. There should be appointed in this, and, I believe, in every county of the State, a Tax Commissioner, with duties and powers like those conferred upon the Tax Commissioner of Chicago by our Charter. I am satisfied, by the experience I have had, that, unless the whole county machinery for the collection of revenue is under the sole supervision and control of one officer, who has no other duties to perform, much confusion and loss of revenue will ensue, particularly in this county. When to the State and town taxes there is added the assessment and collection of the large revenue of the city, the errors and mistakes of the county and town officers will, unless some change is made, be certainly increased in magnitude and number.

It is a fact not generally known that the city and county have lost hundreds of thousands of dollars within the past five years by the failure to collect taxes that should have been paid.

The expense attending a Tax Commissioner's office in each county could be well paid from the State Treasury, and many thousands of dollars saved every year by having such officers.

Respectfully,

M. F. TULEY,
Corporation Counsel.

The Mayor's Message was referred to the appropriate committees, when appointed.

Adjourned.

THE NATIONAL BANKS.

Tenth Annual Report of the Comptroller of the Currency.

His Statement for the Year 1872.

Resources and Liabilities of the Banks---Distribution of the Currency.

Taxation, Earnings, and Dividends---Reserve---The Chicago Fire---Usury.

Savings Banks---Locking Up of Greenbacks---Insolvent Banks---Surplus and Specie---Shinplasters---Mutilated Currency.

TREASURY DEPARTMENT,
OFFICE OF THE COMPTROLLER OF THE CURRENCY,
WASHINGTON, Nov. 26, 1872.

SIR: I have the honor to submit for the consideration of Congress the following report:

The National Currency act provides that it shall be the duty of the Comptroller of the Currency to report annually to Congress a summary of the state and condition of all the National Banks, exhibiting their resources and liabilities, as returned in different reports during the preceding year; that he shall suggest amendments to the act by which the system may be improved, and present such other information with reference to the affairs of the National Banks as may, in his judgment, be useful. The act also provides that the circulation shall be apportioned to associations in the States and Territories upon the basis of population, resources, business, and bank capital, and that a new apportionment of circulation not issued shall be made as soon as practicable, based upon the census of 1870.

The National Currency act became a law on the 25th of February, 1863, and nearly ten years have therefore elapsed since the organization of the system. During this period the agricultural products, the manufactures, and the internal commerce of the country have increased beyond any former precedent; and notwithstanding the enormous waste of a protracted war, the reduction of nearly two thousand millions of dollars in the valuation of property by the abolition of slavery (more than compensated, it is true, by the conversion of slaves to freemen), and the collection of five thousand millions of dollars of taxes* imposed by the National and State Governments, the census returns of 1870 show an increase of population for the ten years previous of more than seven millions of persons, and an increase in the total wealth of the Union of nearly fourteen thousand millions of dollars.

Since the organization of the National Banking system, two thousand and sixty-one National Banks have been organized; twenty-one of these have failed, and ninety-six gone into voluntary liquidation, by a vote of two-thirds of the shareholders, under Section 5 of the act, leaving one thousand and forty-four banks in existence on Nov. 1, 1872.

The following table will exhibit the resources and liabilities of the banks in the month of October, 1872:

RESOURCES.

Loans and discounts	1919 banks, $873,530,104
United States bonds	409,668,700
Due from banks and bankers	128,180,542
Real estate of National Banks	18,776,082
Specie	10,229,756
Lawful money	118,971,104
LIABILITIES.	
Capital stock	479,629,144
Surplus	110,267,191
National bank-notes outstanding	333,405,027
Deposits	628,708,307
Due to banks and bankers	143,836,431

DISTRIBUTION OF CURRENCY.

The act of June 3, 1864, limited the issue of notes of circulation to three hundred millions of dollars. The act of March 3, 1865, provided that one-half of this amount shall be apportioned according to "the representative population," and the remainder among associations formed in the different States, District of Columbia, and Territories, "having due regard to the existing banking capital resources and business of each State, District, and Territory." If the aggregate hundred millions of circulation authorized were not, however, distributed in accordance with the act of March 3, 1865, already quoted. At the date of the passage of that act, only about ninety-nine millions of dollars had been issued, but contemporary with its passage, an amendment to the internal revenue law (act of June 30, 1864) was passed, providing that "every national banking association, State Bank, or State banking association shall pay a tax of ten per centum on the amount of notes of any State bank, or State banking association, paid out by them after the first day of July, 1866." But a subsequent section also provided that State Banks already organized, applying for authority to become National Banks before the first day of July following, could receive such authority in reference to new associations applying for the same. Under this provision the State associations, whose circulation had been taxed out of existence, generally applied for authority to reorganize as National Banks, and the result was that the banks in the Eastern and Middle States obtained a large excess of the amount to which they were entitled in the apportionment.

To remedy this inequality, the act of July 12, 1870, was passed, providing for an additional issue of circulating notes, amounting to fifty-four millions of dollars, to be distributed among those States having less than their proportion, and requiring the cancellation monthly of 3 per cent certificates,† not less than the amount of circulation issued, and a new apportionment of the increased circulation as near as practicable, based upon the census of 1870.

This additional circulation has been distributed to associations already organized, or in process of organization, in the following States and Territories:

States and Territories.	Circulation issued to associations organized prior to July 12, 1870.	Additional circulation issued to associations organized since July 12, 1870.	Total circulation issued to associations organized prior to Nov. 1, 1872.	Circulation issued to associations organized between Nov. 1 and Nov. 30, 1872.
Dist. of Columbia	$ 844,500	$ 29,700	$ 874,200	
Virginia	1,767,900	30,000	$ 276,000	1,797,900
West Virginia	443,790	19,800	463,590	
North Carolina	1,619,500	189,000	1,808,500	
South Carolina	1,744,760	472,500	87,000	2,304,260
Georgia	970,500	18,000	135,000	1,123,500
Alabama	760,150	451,100	207,000	1,421,250
Louisiana	3,484,000	976,000	450,000	4,910,000
Texas	229,975	90,000	157,500	497,475
Arkansas	27,500	22,500	45,000	95,000
Kentucky	4,227,200	291,600	720,000	5,238,800
Tennessee	1,630,950	116,400	288,000	1,917,350
Missouri	3,265,750	1,044,000	1,035,000	5,344,750
Ohio	4,998,780	860,000	470,000	6,328,780
Indiana	3,330,900	250,000	450,000	4,030,900
Illinois	4,651,540	1,405,000	1,035,000	7,091,540
Michigan	2,753,420	949,200	135,000	3,837,620
Wisconsin	702,900	93,600	247,500	1,044,000
Iowa	2,107,000	1,011,400	405,000	3,523,400
Minnesota	1,161,320	284,000	45,000	1,490,320
Kansas	1,027,000	63,000	450,000	1,540,000
Nebraska	67,500		45,000	112,500
Oregon	126,500			126,500
Colorado	255,000			255,000
Utah	150,000	150,000		300,000
Idaho	36,500			36,500
Montana	157,500	18,000	45,000	175,500
Dakota			45,000	45,000
Wyoming	27,000			27,000
New Mexico	286,000	90,000		376,000
	46,993,670	7,451,900	$ 6,862,190	53,917,670

The census of 1870 does not furnish the banking capital of the country or sufficient data upon which an estimate can be made of the business of each State or Territory. If the statistics of the agriculture, the manufactures, and the commerce of every State of the Union were at hand, it would be necessary to estimate the proportion to which each branch of industry would be entitled. No satisfactory basis for this purpose can be obtained, and, after consultation with the Secretary of the Treasury, it was decided that the distribution of the circulation, one-half upon population and one-half upon the resources or wealth of the country, would comply with both the letter and the spirit of the act more nearly than any estimate not derived from official data.

The following table contains an estimate of the ratio of circulation to population and wealth in the United States in 1860 and 1870; and a similar estimate for Great Britain and France in 1863:

UNITED STATES, 1860.	
Population (census of 1860)	31,443,321
Wealth (census of 1860)	$16,159,616,068
Specie, 1862	$200,000,000
Bank circulation, 1862	238,671,218
	$438,671,218
Ratio of circulation to wealth	2.71 per cent.
Circulation *per capita*	13.95 ⅓
UNITED KINGDOM—ENGLAND, SCOTLAND, AND IRELAND.	
Population (estimated, 1863)	31,000,000
Wealth (1860)	$40,000,000,000
Specie (August, 1863)	400,000,000
Bank-notes, 1863	196,000,000
	596,000,000
Ratio of circulation to wealth	1.49 per cent.
Circulation *per capita*	19.48 ⅓
UNITED STATES, 1870.	
Population (census of 1870)	38,558,371
Wealth (census of 1870)	$30,068,918,507
Legal-tenders authorized	$356,000,000
National bank-notes authorized	354,000,000
Fractional currency	40,000,000
Specie in circulation	40,000,000
	730,000,000
Ratio of circulation to wealth	2.63 per cent.
Circulation *per capita*	20.48 ⅓
FRANCE.	
Population (1866)	38,000,000
Wealth (1865)	$40,000,000,000
Specie (Oct. 1, 1865)	$700,000,000
Bank-notes, 1865	252,000,000
	952,000,000
Ratio of circulation to wealth	2.38 per cent.
Circulation *per capita*	24.68 ⅓

The following table will exhibit the amount of circulation outstanding and authorized to be issued to each State, and the amount to which each State is entitled upon the basis of population and wealth:

| States and Territ

New Mexico....	2	300,000.00
Total	1,940	$482,432,538.37
GOLD BANKS.		
Massachusetts ..	1	200,000.00
California	3	2,800,000.00
Total	4	$3,100,000.00

The following comparative tables will ... the amount of circulation issued under State laws, previous to the establishment ... national banking system, and the ... thorized by Congress; the ratio of bank ... tion issued in 1862 and now issued, ... and to deposits; the per capita of circul... 1862; and the per capita of circulation ... ized by Congress:

	1862.
Circulation	$238,671,218
Population	31,443,321
Circulation per capita	$7.59
Wealth	$16,159,616,068
Ratio of circulation to wealth	1.5
Ratio of circulation to deposits, per cent	61

TAXATION, EARNINGS, AND DIVIDENDS.

The National Banks pay the following ... the Treasurer of the United States: One ... cent annually on circulation outstanding; ... half of 1 per cent annually upon deposits; ... one-half of 1 per cent annually on capital ... vested in United States bonds. These taxes ... payable semi-annually. The amount of ... collected by the Treasurer from Jan. 1, 18.. Jan. 1, 1872, were as follows:

On circulation ...
On deposits ...
On capital ...
Total ...

The National Banks, prior to May 1, 1871, paid to the Commissioner of Internal Revenue a license or special tax of $2 on each $1,000 capital, and an income tax on net earn... Dec. 1, 1871. The special or license tax ... May 1, 1864, to May 1, 1871, amounted to $5,322,688.43; the income tax from Mar... 1863, to Sept. 1, 1871, amounted to $5,532,... The following table will exhibit the amount of taxes collected from these sources during the years 1870-71:

Year ended—	Duty on circulation, deposits, and capital: Amount.	Year ending—	License-tax on capital: Amount.	Year ending—	Taxation of earnings: Amount.	Total taxation.
Dec. 31, 1870	$6,017,460.34	April 30, 1870	$906,238.54	Aug. 31, 1870	$2,060,080.97	$8,973,784.15
Dec. 31, 1871	6,605,812.11	April 30, 1871	844,016.49	Aug. 31, 1871	1,871,105.91	8,760,935.01
Totals	$12,624,272.45		$1,750,255.03		$4,061,140.88	$18,340,668.06

The Comptroller, in his report for the year 1867, made careful statements of the taxes of National Banks for the year 1866, from which it appears that the banks, during that year, paid over sixteen millions of United States and State taxes, as follows:

To the United States Government ... $9,...
To the States ... 7,...

The amount of taxes paid to the several States was derived from specific returns of about ... teen hundred banks, the minimum rate in each State being calculated for those banks which made no returns. A similar statement for the year ending Dec 31, 1867, exhibits the following results:

Amount of taxes paid to the United States ... $9,525,...
Amount of taxes paid to the State authorities ... 8,813,...
Aggregate taxes paid ... $18,338,...

Or 4¼ per cent upon a capital of $422,804,...

The aggregate State tax was believed to be considerably below the actual amount paid. Assuming the amount of State taxes paid by National Banks to be the same as that paid to the United States Government (which is a moderate estimate), we shall have the total paid by the National Banks during these years:

1866 ... $16,...
1867 ... 18,...
1870 ... 19,...
1871 ... 17,...

The act of March 3, 1869, required special returns to be made of the dividends and earnings of the National Banks after the declaration of each dividend. From these returns the following table has been prepared, exhibiting the aggregate capital and surplus; total dividends and total earnings of the National Banks; the ratio of dividends to capital; dividends to capital and surplus; and earnings to capital and surplus, for each half year, commencing March 1, 1869, and ended Sept. 1, 1872.

Period of six months ending	Number of banks	Capital.	Average surplus.	Total dividends.	Total net earnings.	Ratios: Dividends to capital.	Dividends to capital and surplus.	Earnings to capital and surplus.
						Per ct.	Per ct.	Per ct.
Aug. 31, 1869	1,481	$401,650,802	$82,105,848	$21,767,831	$29,221,184	5.42	4.50	6.04
Feb. 28, 1870	1,571	416,366,991	86,118,210	21,479,095	28,996,934	5.16	4.37	5.90
Aug. 31, 1870	1,601	425,317,104	91,630,620	21,080,343	26,813,885	4.96	4.08	5.19
Feb. 28, 1871	1,605	428,699,165	94,672,401	22,205,150	27,243,162	5.18	4.24	5.22
Aug. 31, 1871	1,693	445,999,264	98,286,591	22,125,279	27,315,311	4.96	4.07	5.02
Feb. 29, 1872	1,750	450,693,706	99,431,243	22,859,826	27,502,539	5.07	4.16	5.01
Aug. 31, 1872	1,852	465,676,023	105,181,942	23,827,289	30,572,891	5.12	4.17	5.3

The following table will exhibit, in a condensed form, the ratios of dividends to capital, dividends to capital and surplus; and earnings to capital and surplus, of the National Banks in every State of the Union, and in the redemption cities, semi-annually, from March 1, 1869, to Sept. 1, 1872:

[The table shows that the average ratio of dividends to capital is 10.24 per cent per annum; the average ratio of dividends to capital and surplus, 8.34 per cent per annum; and the average ratio of *earnings* to capital and surplus ... per cent per annum. The average ratio of dividends to capital among the banks of Chicago ... 12.42 per cent per annum.]

Complete statistics, in detail, of the capital, surplus, earnings, and dividends by States and cities, will be found on pages 38-44 of the appendix.

The National Banks are required to furnish this office not less than five statements during each year of their assets and liabilities, and also make specific returns to the Treasurer, semi-annually, of their circulation, deposits, and average amount of capital not invested in United States bonds. The officers of the United States, and of the different States, whose duty it is to collect taxes, have, therefore, at all times at their command the *data* upon which to ascertain the amount of taxes to be collected, and it is believed that there is no other species of capital upon which the tax can be so definitely assessed and so certainly collected as the tax upon the National Banks of the country. There is no doubt that in some instances, owing to the large deposits in proportion to capital, or to high rates of interest in the new States, large dividends have been declared; but it will be seen from the table that the average earnings of the National Banks, after making a proper allowance for ... not more than a fair remuneration ... The dividends declared do not ... in the aggregate the dividends ... State systems, and are far less ... annual dividends of the Eng... ... 15½ per cent per annum.

...ly supposed that the circulation ... National Banks is a source of great ... the premium upon bonds is con... ultimate loss, the profit upon cir... not exceed 3 per cent per annum. ... of profit in banking under ... all other systems, is from depos... this branch of business an annual ... fixed by law. If the system has ... of circulation, it is also subject ... which are considered bur... but which give steadiness and ... money transactions of the coun... banks should contribute their ... the revenues of the country, they ... an imputation of extravagant ... unfounded prejudice, be taxed to ... than other corporations which ... important to its prosperity. ... of the bank capital of the ... sound and conservative system, ... safeguards and restrictions, is of ... importance than a penny-wise and ... imposition of excessive taxation, ... have a tendency to drive those banks ... over conscientious out of the sys... the purpose of evading all taxation.

RESERVE.

...deal of discussion has arisen during ... stringency in the money market, in ... of New York, in reference to the pro... the National Currency act, requiring ... the liabilities of National Banks. ... requires that the country banks shall ... amount of reserve equal to 15 per cent ... amount of their deposits and cir... three-fifths of which reserve may be on ... National Banks which are their ... redemption cities. The National ... redemption cities must hold a re... per cent; one-half of which may be on ... National Banks in New York City. ... of the nineteen hundred Na... located elsewhere than in the City ... are held to a great extent in that ... most of the time during the past ... amount equal to more than one-fifth of ... of all these National Banks has been ... by the National Banks of the ... York to the credit of their cor... In many cases these credits ... twice the capital of the bank ... they are deposited; in other ... amount of deposits is three, ... and even five times the capital, ... has been attracted thither largely ... payment of interest on deposits. The ... of these New York City banks in ... monetary stringency would embarrass, ... many banks in the redemption ... in turn, the country correspondents ... banks would suffer from the impru... New York bank, which would be re... widespread disaster. It is clear ... having such excessive liabilities has ... if there were no law, to increase ... such an unreasonable extent as to ... embarrassment if unexpectedly called ... the reserves of its correspondents. A ... law prohibiting banks from extend... beyond three times their capital ... to be not unreasonable, but such a ... would be much more restrictive than ... requirements of the law in reference ...

... laws of Massachusetts and Louisi... were in most respects models of a ... of bank legislation, required an ... reserve to be kept on hand. ... of the State of New York had ... restriction. The country banks of that ... however, required to redeem their ... the City of New York, in specie, and an ... of their returns will show that, ... country banks usually held but a very ... portion (about 2½ per cent) of circula... deposits in their vaults, they were ... keep on deposit with their city corre... nearly as large a proportion of re... under the National system. An exami... weekly returns made to the Clear... New York City will show that the ... of established reputation in times of ... stringency held a sufficient reserve ... provision of law; while the larger ... of banks, not included in the Nation... are continually below a judicious ... truth is that the strong and well... banks do not need any law in reference ... and do not, therefore, ask for a change ... in this respect. The weak banks, ... already too largely extended, wish to be ... all restrictions. It is ... tendency of such banks ... their liabilities. In times of ... stringency loans are not made by such ... to business men upon commercial ... to dealers in speculative securities ... times at high rates of interest; and ... of call loans beyond the proper ... likely to afford facilities for un... stock speculations than relief to ... business transactions. The law is in... wholesome restriction upon National ... organized in almost every city and vil... Union. Next to the absolute securi... for the crumpled bits of paper in ... of every citizen, no provision of the ... so much to give character and ... the National banking system as the ... to the thousands of depositors ... the country (who, after all, are the ... of profit to every bank) that a re... equivalent to such a proportion of the lia... every bank as the experience of years ... emissions of business have shown to ... will always be kept on hand to an... extraordinary and unexpected calls of ... fluctuations in the liabilities requiring re... banks of the City of New York are ... The banks outside of New York, ... dull season, send their surplus means ... for deposit upon interest, to await ... of business. The banks in the City ... at such periods of the year, have ... outlet for these funds, and are ... threatened with loss. The Stock ... advantage of this condition of af... circulation is stimulated by the cheapness ... and a market is found for the idle ... doubtful collaterals, and the result ... increased transactions at the Clear... which, during the past year, exceeded ...0,000, or an average of more than ... daily—not one-half of which was ... of legitimate business; the total ... transactions being greater than that ... ers' Clearing-House of the City of ... The evil arises largely from the pay... banks, of interest on deposits—an ... custom which cannot easily be ... by legislation. A considerable por... these deposits would remain at home ... would be used at a low rate of interest, ... available at any time upon the return ... season of active business. No sure in... of this kind is, however, open to the ... banks; and the universal custom is to ... forward the useless dollars from vaults ... rarely insecure to their correspondents ... where they are supposed to be safer, ... same time earning dividends for ... A Government issue bearing a ... interest to be counted as a certain ... of the reserve, and an increase of the ... which the country banks are required to ... is the proper remedy for such a ... Such an issue need not result ... for the currency invested would be ... possession of the Government. If the ... is held, the objection is the loss of ... the Government; but the loss would ... than a just rebate upon the six mill... of taxation annually paid by the ... Government, at a time when al... every kind of internal taxation has been ... Such a reduction of taxation ... is grudgingly made, if the result ... give elasticity to the currency, to ... and steady the money market, to ... additional security to $700,000,000 belonging ... by retaining in the vaults of the ... amount of funds for legitimate ... purposes, which would otherwise be ... the Stock Board to unsettle values ... the country, and alternately in... depress the price of every com...

...formation of those who do not be... the banks usually hold the requisite ... reserve, we have prepared tables ... for the last five years, at from four ... periods of the year, the banks ... every State and in the principal ... Union, have been found to hold, in ... every instance, a sufficient amount ... requirements of law. ... is so universally observed as to ... a rule with all the cautiously-man... of the country should not be re... full consideration.

THE CHICAGO FIRE.

...fire in Chicago of Oct. 8 to 11, 1871, ... classed among the noteworthy ... the year. The buildings occupied by ... National Banks in that city were all ... destroyed in the general conflagration, ... and that one was rendered untenable ... of bills receivable held by these ... time was more than twenty-one ... indebtedness to correspondents ... millions, and to individual ... seventeen millions. For a ... thought they were so seriously crippled that they would be unable to resume business, and it was proposed to open their doors with the offer of payment by instalments to their creditors. The contents of their vaults were, however, rescued in good condition, and finally wise and prudent counsels prevailed, owing largely to the presence and advice of my predecessor. Eight days after the conflagration the banks obtained new offices in dwelling-houses distant from their former locations, and opened for the transaction of business. Instead of balances being largely drawn upon, deposits flowed in freely from dealers and correspondents, and at the close of the first day's business the receipts were found to be considerably larger than the disbursements. It was soon ascertained that the immense losses anticipated upon bills receivable would not be experienced, and confidence was restored. The total loss arising from the fire on discounted paper is estimated at about six hundred thousand dollars, and the loss from the destruction of bank buildings, furniture, and fixtures, at about one hundred and seventy-six thousand dollars. The banks, at the time of this disaster, had accumulated a surplus fund exceeding one-fourth of their aggregate capital, and had at their command a reserve equal to more than 30 per cent of their liabilities, and consequently were able to resume business without embarrassment. The wisdom of the sections of the law requiring an accumulation of surplus and the holding of reserve could not be better illustrated.

By reference to the abstract of the condition of the National Banks of the City of Chicago, evidence will be found of the steady increase of business in these banks during the past year.‡

USURY.

Charges have been made against several National Banks during the past year for receiving usurious rates of interest. These complaints have been made not only against banks in the South and West, where high rates of interest prevail, but also against banks organized in other States, where the usurious rate charged was but slightly in excess of the rate of 6 per cent, allowed by law. Section 30 of the act provides that when the amount of interest charged is greater than the amount authorized by State law, twice the interest paid may be recovered by the person paying the same; while Section 53 provides that the franchises of an association may be forfeited if the Directors of a bank knowingly violate the provisions of the act. The original National Currency act of Feb. 11, 1863, provided as a penalty for usury the forfeiture of the debt, and Section 50 of the same act also subjected the rights, privileges, and franchises of an association to forfeiture for wilful violations of the act. It may be doubted, therefore, whether Congress intended to impose a specific penalty involving the loss of the whole debt, and then, in addition, subject the same bank to a forfeiture of charter in a subsequent section, which is applicable to other violations of law. I am informed by gentlemen who participated in the framing of the present National Currency act, that the forfeiture of twice the amount of interest was regarded as a sufficient penalty for such violations of law, and, at the same time, a sufficient protection to borrowers.

These statements are confirmed by the act of April 22, 1870, "An act to amend the Usury laws of the District of Columbia," which provides "that if any person or corporation in this District shall contract to receive a greater rate of interest than 10 per cent upon any contract in writing, or 6 per cent upon any verbal contract, such person or corporation shall forfeit the whole of said interest so contracted to be received, and shall be entitled only to recover the principal sum due to such person or corporation." It will be observed that the forfeiture of the interest is the only penalty prescribed by Congress nearly six years after the passage of the National Currency act for corporations and individuals in the District of Columbia.

The rates of interest fixed by State laws are not governed by any sound economical or business principles. In three of the New England States usury laws are abolished, while in the remainder the rate has remained for half a century at a uniform standard, which is less than the present rate of the Bank of England. In Minnesota and Virginia the rate is limited to 12 per cent; in Illinois, Wisconsin, and Missouri, to 10 per cent; in Alabama and Ohio, to 8 per cent, while in Pennsylvania, Maryland, and Kentucky, the rate is fixed at 6 per cent. In New York, the taking of an excess beyond the limit of 7 per cent forfeits the whole debt, and subjects the creditor to fine and imprisonment. It would be difficult to give any good reason why the rate of interest should be limited to 10 per cent in the City of Washington, to 6 per cent in the neighboring cities of Philadelphia, Baltimore, Wilmington, and Raleigh, and to 12 per cent across the Potomac, in Alexandria, and in the capital of Virginia. Many of the States have practically repealed their usury laws, while other neighboring States retain upon their statute books laws which are so continually evaded that they have become obsolete. Savings banks chartered by Congress, savings banks, trust companies, and safe-deposit companies authorized by the Legislatures of almost every State of the Union, as well as private bankers, offer for interest on deposits rates nearly equal, and sometimes exceeding, the ruling rates allowed by law; and, under such circumstances, it is difficult to control, by legislation, the rates of the National Banks.

Self-protection stimulates even the most conservative banks to control their own business and retain the accounts of dealers of long standing. The rates of interest charged must correspond in some degree to the supply of money and to the demand. If high rates are paid for deposits, it is with the expectation that the borrower will pay a rate correspondingly high. Hence loans are made to those dealers who will leave the largest proportion of the amount borrowed with the bank for the longest period in the guise of deposits. Banks in New York charge 7 per cent, in Philadelphia and Baltimore, 6 per cent; but their loans are made chiefly to dealers whose average accounts show balances continually on hand equal to one-eighth or one-fourth of the amount borrowed; while the banks in the South and West not unfrequently charge the ruling rate without regard to the account of the customer. The expedients for violating the usury laws are so numerous that it may well be doubted whether it would not be better for all parties to allow the rate charged to be regulated by the state of the money market. Under existing laws, in an easy money market, the rate not unfrequently falls below that prescribed by law. If money is scarce, the rate is nominally within the limit, but really regulated in accordance with a previous understanding between borrower and lender.

There are no usury laws in Great Britain, or in the other commercial European States; and the Commonwealth of Massachusetts, one of the most prosperous and enlightened States of the Union, has recently abolished such laws; and it will be found, by reference to the table elsewhere, that the earnings of the banks in that State for the four years since the passage of the act, have been even less than in many of the Eastern, Middle, and Southern States, where the rate is fixed at 6 per cent.

Mr. McCulloch, late Secretary of the Treasury, in his first report, as Comptroller of the Currency, recommended a uniform rate of interest, and expressed the opinion that Congress possessed the power to enact such a law, under the constitutional provision of regulating commerce among the several States. Congress alone has the power to coin money and regulate the value thereof; and if it alone has authority to issue and authenticate the paper currency of the country, there would seem to be no good reason why it should not also provide for its free circulation, which is now impeded by the ever-changing statutes of forty different Legislatures.

The penalty for usury should at least be defined, and until this is done the Comptroller will not feel himself called upon to institute proceedings for forfeiture of the charter of a bank for usurious transactions, when it is evident that the business of the association is conducted legitimately and safely in other respects.

SAVINGS BANKS.

The act of June 17, 1870, provides that savings banks may be organized within the District of Columbia, under the provisions of Section 4 of the act "to provide for the creation of corporations in the District of Columbia by general law;" and a subsequent act exempts from taxation the deposits of savings banks in amounts less than $2,000. It is claimed that, under this legislation, savings banks, with a capital paid up in full or in part, may be established in the District of Columbia, to be conducted for the benefit of the shareholders. The Legislatures of many of the States have authorized the establishment of similar institutions, which, under the act of Congress, are exempt from taxation on deposits, while these identical deposits, if placed to the credit of savings banks in a National Bank, as is frequently the case, are subject to a tax of ½ per cent per annum. It is evident that Congress intended to discriminate in favor of those institutions which are organized for the purpose of receiving and investing savings for the benefit of depositors, and not of shareholders.

The official report of the savings banks in New England show the deposits at the close of the year 1871 to have been $312,383,479, or more than three times the amount of the aggregate deposits in the National Banks. The deposits in the savings banks of the State of New York, at the same date, were $267,905,866, a sum also considerably in excess of the deposits of the National Banks of that State. A large portion of these are not properly savings deposits. Savings banks in some portions of New England, New York, and Pennsylvania, as well as other States, have recently become formidable competitors of the National Banks by offering much larger rates of interest for deposits than is usual in well-managed banks.

The proper functions of savings banks are to make safe and judicious investments of the funds intrusted to them, and, at specified times, to divide the earnings among the depositors; but, for the purpose of attracting the deposits of business men and others, who would otherwise do business with regularly organized banking institutions, the custom prevails, to a large extent, of offering high rates of interest for deposits before dividends have been earned. The result is that savings deposits are, to a considerable extent, endangered by investments in street paper, in loans to the managers of such institutions, and in speculative securities.

The savings banks are among the most important business institutions of the country, and they should be fostered and maintained; but at the same time they should be restricted to a legitimate savings bank business, and not allowed to encourage violations of usury laws, nor to be controlled by the personal interests of shareholders, managers, or trustees. Frequent publications of reports should be required, and their affairs subjected to rigid scrutiny from time to time by competent examiners. Special charters, with special privileges for savings banks and trust companies, should not be granted, but all such institutions should be organized under general laws. The passage of such a law for the District of Columbia, with judicious provisions, would be productive of beneficial results and would afford an example, not only for those States which have no enactments of this kind, but also for the older States, whose present savings bank laws are liable to great abuses.

LOCKING UP GREENBACKS.

The act of February 19, 1869, provides "that no national banking association shall hereafter offer or receive United States notes or national bank notes as security, or as collateral security, for any loan of money, or for a consideration shall agree to withhold the same from use, or shall offer or receive the custody or promise of custody of such notes as security, or as collateral security, or consideration, for any loan of money."

On the 5th of April last the Comptroller was advised that a bank in the city of New York, with a capital of $1,000,000, and whose average exchanges at the Clearing House did not exceed $300,000, was that morning creditor at the Clearing House for $4,770,000. As it was evident that this large credit was not the result of legitimate business, the Examiner was directed to make an examination of the bank, which was immediately done, in connection with a member of the Clearing House Committee. From the examination, which was thoroughly and carefully conducted, it appeared that deposits had been made in that bank, by one individual, upon the morning of April 5, to the amount of $4,100,000, the whole of which was drawn out upon the same day, upon the checks of the depositor, in legal-tender notes. The President of the bank denied that the bank had any interest in these transactions, and there was no evidence of any loan, or of advances in any shape, upon these deposits. These transactions were the subject, subsequently, of an investigation by the Bank Committee of the House of Representatives, and, although it was clear that the spirit of the law had been violated, no evidence could be obtained to warrant the commencement of a suit for the recovery of the penalty prescribed in the act referred to. The investigation undoubtedly had the effect to prevent the repetition of similar transactions; no offences of this kind, on the part of any National Bank, having since been brought to the attention of the Comptroller.

The New York Clearing House Association subsequently passed a resolution declaring "that the Clearing House Committee be and is hereby directed, whenever it appears, in its judgment, that legal tender notes have been withdrawn from use through the agency of any bank, member of the Association, to make an immediate examination of the bank in question, and should there appear to be complicity on the part of the bank or its officials, to suspend said bank from the Clearing House until action of the Association shall be taken thereon."

The withdrawal of currency for illegitimate purposes, has, however, since been accomplished without the assistance of the banks.

The rigid enforcement of the resolution of the Clearing House will prevent complicity on the part of the banks in such transactions; and if the New York Stock Board and the leading banking houses will unite with the Clearing House, and refuse to transact business with unscrupulous men, who do not hesitate to embarrass legitimate business for the purpose of increasing or diminishing the values of stocks or bonds in which they are temporarily interested, they can do more to prevent such operations than any Congressional enactment.

INSOLVENT BANKS.

Twenty-one National Banks, organized in eleven different States, with an aggregate capital of $4,236,100, have failed since the organization of the system in 1863. The total circulation of these banks was $2,942,793, of which $2,441,430 has been redeemed in full, leaving a balance still outstanding of $501,363, which will also be redeemed, upon presentation to the Treasurer of the United States, from the avails of United States bonds held as security for that purpose. Of these banks, five have been finally closed, (two during the past year), having paid dividends to their creditors, as follows:

Name and location of bank.	Capital stock.	Amount of claims proved.	Dividend paid, per ct.
First, Attica, N. Y.	$50,000	$122,089	58
First, Medina, N. Y.	50,000	170,165	88½
Tennessee, Memphis, Tenn	100,000	376,932	17½
Croton, New York City	200,000	170,752	88½
First, Keokuk, Iowa	100,000	205,256	68½

Six National Banks have failed during the past year, as follows:

Name and location of bank.	Capital stock.	Amount of claims proved.	Dividends paid.	Remarks.
			Per ct	
Ocean, N. Y. City	$1,000,000	$1,280,328	70	
Union Square, N. Y. City	200,000	157,120	100	Claims p'd in full.
Eighth N. Y. City	250,000	373,936	50	Cash on hand $28,474.62
Fourth, Philadelphia	200,000	645,558	100	Claims p'd in full.
Waverly, Waverly, N. Y.	106,100	54,878	100	Claims p'd in full.
First, Fort Smith, Ark.	50,000	7,638	.....	Cash on hand $12,787.95

Of these banks, the Union Square National Bank, New York; the Fourth National Bank, Philadelphia, and the Waverly National Bank, New York, have paid their creditors in full, a settlement, it is believed, without precedent prior to the establishment of the national system. The Eighth National Bank, New York, has paid a dividend of 50 per cent; the Ocean National Bank, New York, a dividend of 70 per cent; and the receivers of the Ocean National Bank, and of the First National Bank of Fort Smith, Arkansas, estimate that the creditors of both of these banks will ultimately receive a dividend of 100 cents on the dollar. The remaining ten National Banks which have failed are as follows:

Name and location of bank.	Capital stock.	Amount of claims proved.	Dividend paid, p. c.	Cash on hand.
Venango, Franklin, Pa.	$300,000	$724,019	....	$160,847.58
Merchants', Washington, D. C.	200,000	....	....	837,371.00
First, Selma, Ala.	100,000	303,071	....	109,264.14
First, New Orleans, La	500,000	1,116,621	26	287,670.76
Nat'n'l Unadilla Bank, Unadilla, N. Y.	120,000	196,760	....	50,547.39
Farmers' and Citizens', Brooklyn, N. Y.	300,000	1,189,000	92	12,927.60
First, Bethel, Conn.	60,000	68,986	70	11,662.43
Nat'n'l Bank of Vicksburg, Miss.	50,000	20,493	....	12,373.11
First, Rockford, Ill.	50,000	65,875	....	19,404.61
First, Nevada, Austin.	[illegible]	[illegible]	[illegible]	[illegible]

The aggregate amount of claims proved against the seventeen National Banks which have failed (excluding the four banks which were Government depositories), is $5,205,068; the average dividends, 69¼ per cent; the additional dividends to be declared are estimated at 14 8-10 per cent; making, in all, dividends in favor of creditors of 84 3-10 per cent, which would leave an average deficiency of 15 7-10 per cent to be collected of shareholders, as provided in Section 50 of the act.

A final dividend in favor of the Farmers' and Citizens' National Bank, of Brooklyn, will be made during the present year, of about 4 per cent, making, in all, dividends from the assets of 96 per cent. A final dividend of about 40 per cent in favor of the creditors of the National Unadilla Bank is delayed by a claim in litigation for the value of the bonds deposited as security for circulation in excess of the amount required to redeem its circulating notes, which will probably go to the Supreme Court for final adjudication. An assessment has been made upon the shareholders of the National Bank of Bethel, of 15½ per cent, which, if collected, will pay the creditors in full, without interest, up to the date of the appointment of the Receiver. A dividend of more than 30 per cent will also soon be declared in favor of the creditors of the First National Bank of Nevada. The affairs of the Eighth National Bank of New York, and of the First National Bank of Rockford, Illinois, are involved in litigation, and the date of the final closing of their affairs is uncertain.

The Venango National Bank of Franklin, Pennsylvania; the Merchants' National Bank of Washington, District of Columbia; the First National Bank of Selma, Alabama, and the First National Bank of New Orleans, were United States depositories. The final dividend in favor of the creditors of the First National Bank of Vicksburg has been unexpectedly delayed by the recent presentation of a claim of the United States for money alleged to have been illegally deposited by the Collector of Internal Revenue of that district, in the year 1868. Since that time no losses have occurred to the Government by deposits in the National Banks, although many millions of dollars have been continually on deposit with banks which are designated as depositories. The three first-named banks, at the time of their failure, had a large amount of Government funds on deposit.

The fifth section of the act of March 3, 1797, provides "that when any revenue officer or other person hereafter becoming indebted to the United States, by bond or otherwise, shall become insolvent; or where the estate of any deceased debtor, in the hands of executors or administrators, shall be insufficient to pay all the debts due from the deceased, the debt due to the United States shall be first satisfied; and the priority hereby established shall be deemed to extend as well to cases in which a debtor, not having sufficient property to pay all his debts, shall make a voluntary assignment thereof, or in which the estate and effects of an absconding, concealed, or absent debtor shall be attached by process of law, as to cases in which an act of legal bankruptcy shall be committed."

The Treasurer of the United States claims, under this act, that all deposits in these banks at the time of suspension, belonging to the United States, whether deposited to its credit directly, or to the credit of its disbursing officers, with interest thereon from the date of the failure of the bank, are entitled to priority of payment.

In the case of the First National Bank of New Orleans, other questions have arisen. At the date of its suspension the bank was in charge of officers of the Government, who were also engaged in the settlement of the accounts of a defaulting ex-Assistant Treasurer of the United States. The nominal balance to the personal credit of this individual upon the books of the bank was $315,779.10, and a certified check for this amount was taken from him, and about $94,000 collected upon it. The Government holds this check, and claims that the balance uncollected shall have priority in payment, the same as if that amount had been on deposit to the credit of the United States. The creditors of the bank, on the other hand, claim that, at the time of the suspension, the bank held legal offsets, and that there was really no balance upon the check held by the Government. The Receiver concurs in this opinion, and if the claim should be presented to him in the usual way for settlement, it would be disallowed.

Unsuccessful attempts have been made to obtain a final decision in the Supreme Court of the United States upon these questions, owing, in part, as is believed, to defects in the present act. A large amount of funds has been on deposit with the Treasurer for the last three years, which will be distributed among the creditors as soon as a decision of the Court can be obtained upon these points.

Section 50 of the Fational Currency act provides that the Comptroller shall make a ratable dividend upon all claims which may be proved to his satisfaction or adjudicated in a court of competent jurisdiction; and this is the only existing provision in reference to the method of procedure in the proving of claims against an insolvent bank. The law should be so amended as to define the duties of the Comptroller and of the Receiver in proving claims and in prescribing the mode and manner of referring conflicting interests to the proper tribunal for final arbitrament. A bill for this purpose was introduced into the last Congress, reported by the Bank Committee, and referred to the Judiciary Committee of the House of Representatives. The passage of this bill will facilitate the settlement of the affairs of these banks, and simplify the method of procedure in all cases of insolvent banks.

An amendment is also suggested giving authority for the return of the assets of an insolvent bank to an agent of the shareholders upon their unanimous request, after full payment shall have been mode to the creditors of the bank.

Where dividends are delayed by reason of protracted litigation, provision should also be made for the investment of the funds on deposit with the Treasurer in interest-bearing securities.

SURPLUS AND SPECIE.

The law requires that every National Bank shall carry one-tenth part of its profits to surplus-fund account before the declaration of a dividend, until the same shall amount to 20 per cent of its capital stock. This wise provision has been generally observed, and the returns show that the banks now have a surplus of over one hundred millions of dollars, and considerably more than one-fifth of their capital in surplus account. The act also limits the liabilities of any association, person, company, or corporation, for money borrowed, to one-tenth of the capital stock paid in. The Comptroller recommends that this limit be extended to one-tenth of the capital and surplus, which will have a tendency to increase the surplus fund beyond the limit required by the law.

Banks have hitherto been in the habit of reporting, as specie, checks payable in coin. The result is to give an erroneous aggregate of the amount of coin held by the banks, the same amount being reported by the bank holding the coin and the bank holding the check. In the present statement, and in all future statements, the item of coin will include only actual coin and United States coin certificates which are payable on demand at the Treasury.

SHINPLASTERS.

The State of Alabama has issued for some years past, in the form and similitude of bank notes, of five different denominations, certificates which read as follows:

"The State of Alabama: Receivable as five dollars in payment of all dues to the State. Montgomery, May 1, 1867.
(Signed) ——— Governor.
(Signed) ——— Com. of Public Ac'ts."

On the reverse:

"Receivable in payment of taxes and all dues to the State. Issued under the provisions of the act entitled 'An act to provide for the issue of certificates or receipts by the State,' approved Feb. 19, 1867. The credit and faith of the State of Alabama are pledged for the redemption of this certificate or receipt, as provided for in such act."

A circular was also issued by the Governor of Alabama, on July 24, 1867, and is still in circulation, which states that an opinion has been obtained from the Attorney General of the United States that such receipts or certificates are not subject to the tax of 10 per cent imposed upon the notes of State Banks by the act of March 3, 1865, and recommending the co-operation of banks and bankers in giving circulation to the issues referred to. The Constitution of the United States provides that no State shall emit bills of credit, and it has been held by the Supreme Court of the United States in a famous case,§ that a note of circulation "issued by a State, involving the faith of a State, and designed to circulate as money on the credit of the State, in the ordinary course of business," is a bill of credit. Other decisions of the Supreme Court hold "that certificates issued by a State in sums not exceeding ten dollars nor less than fifty cents, receivable in payment of taxes, the faith and credit of the State being pledged for their redemption, are bills of credit within the prohibition of the Constitution."

It is clear, therefore, that such certificates are bills of credit, and prohibited by the Constitution. Savings banks, railroad, municipal, and other corporations in the States of Florida, Georgia, and other Southern States have followed the example of the State of Alabama, and have issued, and are still issuing, a large amount of similar circulation, some in the form of receipts and certificates, and others in the form of railroad tickets, but all issued in the form and similitude of bank notes, and intended to circulate as money. There is no law in existence to prevent the circulation, and no legislative provision for the enforcement of the constitutional prohibition of such issues. The act of July 17, 1862, makes it a penal offence "to make, issue, circulate, or pay any note, check, memorandum, token, or other obligation for a less sum than one dollar, intended to circulate as money, or be received or used in lieu of lawful money." It is recommended that this act be so amended as to prohibit, absolutely, the issue of such circulation, and thus prevent great ultimate loss to the people, among whom such notes are now obtaining extensive credit.

A few National Banks have gone into liquidation and reorganized as State banks, retaining their national title. State Savings Banks and private companies have also assumed the title of "National." These corporations and companies erect large signs over their doors, issue conspicuous advertisements, and obtain recognition in the counterfeit detectors among lists of National Banks, thus transacting business under false colors, which, of itself, should be sufficient to put all business men upon their guard. Such abuses should, however, be prohibited, and the Comptroller recommends the passage of an act prohibiting the use of the word "National" as a title for banks other than those organized under the National Currency act.

He also recommends that all officers of National Banks, and all Government depositaries, be required to stamp the word "counterfeit" or "illegal" upon all counterfeit and unauthorized issues presented at their counters.

BANKS OF CIRCULATION.

The National Currency act is, to a certain extent, deficient in a provision for the prompt closing up of National Banks pursuing an illegitimate business. These banks are of two classes. One class organize or attempt to organize and pay up their capital stock with the notes of shareholders instead of cash capital, as required by law. A few such cases have been forced into liquidation by withholding the issue of circulation, and in one instance the Solicitor has been requested to bring a suit for the forfeiture of charter for willful violation of law, as provided in Section 53 of the act. In all similar cases hereafter proceedings will be commenced for a like purpose. In other cases, banks which have lost a large portion of their capital refuse to go into liquidation, transacting no business, but in other respects conform to the requirements of the law, for the purpose of receiving the interest upon their bonds. The stockholders of these banks, in some instances, have the means to restore the capital, but refuse; in others, a portion of the shareholders desire to pursue a legitimate business, but another portion refuse to respond to assessments. The Comptroller respectfully recommends that in these cases authority be given to withhold the interest upon the bonds, and to commence proceedings for the forfeiture of charter, and that a penalty be imposed. These cases are not numerous, but a remedy is needed to terminate the existence of such associations, and no penalty is too severe for this evasion of the law. With proper legislation, and the co-operation of banks doing a legitimate business, an example may be made of illegitimate institutions, which will prevent the organization of banks without the full amount of capital paid up in cash, as required by law.

EXAMINATIONS.

It is the intention of the Comptroller that every National Bank shall be thoroughly examined once a year by a competent bank examiner. Every Director and shareholder is personally interested in these examinations, if properly conducted. No well-managed bank will object to a confidential scrutiny of its affairs, but will welcome at all times, as is generally the case, a competent and courteous agent of the Department. Many valuable suggestions may be obtained from the experience of an intelligent examiner, and, in not a few instances, banks have been saved from ruin by timely interference in the correction of abuses. In some instances information is received at this office of violations of law which call for special examinations, but which cannot be made because there is no means of paying the expense of conducting such examinations. If the bank is found in fault, it will respond to an assessment; if not, it should not be subjected to an expense not authorized by law. The Comptroller, therefore, respectfully asks for an appropriation of $3,000, in order that he may at all times be free to pursue such inquiries as he shall consider expedient for the protection of the creditors of such associations. Prompt action in cases of this kind is very desirable, and the expense incurred is trifling when compared with the public interests involved.

MUTILATED CURRENCY.

Section 24 of the act provides that the worn-out and mutilated circulating notes of the National Banks "shall be burned to ashes in the presence of four persons, one to be appointed by the Secretary of the Treasury, one by the Comptroller of the Currency, one by the Treasurer of the United States, and one by the association, under such regulations as the Secretary of the Treasury may prescribe." From the organization of the system in 1863 to Nov. 1, 1872, $86,695,305, more than one-fourth of the whole amount issued, has been returned to this office for destruction, as follows:

Previous to Nov. 1, 1865	$175,490
During the year ended Oct. 31, 1866	1,050,382
During the year ended Oct. 31, 1867	3,401,423
During the year ended Oct. 31, 1868	4,602,825
During the year ended Oct. 31, 1869	8,603,729
During the year ended Oct. 31, 1870	14,305,689
During the year ended Oct. 31, 1871	24,344,047
During the year ended Oct. 31, 1872	30,211,720

It is probable that the amount of mutilated currency to be returned hereafter for re-issue will exceed $30,000,000 annually, and that the whole amount of National Bank circulation will be re-issued as often as once in ten years. An additional force will be required for the careful performance of this duty.

No effort will be spared by the Comptroller to have the provision of the law in reference to the burning of mutilated notes and the prompt issue of new notes in their place strictly executed; and the National Banks of the country are urged to send forward such notes as frequently as possible, in order that the currency of the country may be kept in the best possible condition. The officers and depositaries of the United States can render efficient service in purifying the currency, by sorting out all mutilated notes of the National Banks and presenting the same to their agents in New York City and elsewhere, for redemption.

THE OFFICE.

The force of this office consists of the Deputy Comptroller, fifty-six male clerks, and twenty-eight female clerks. The work of the office is continually increasing. More than twelve thousand reports of National Banks are received annually and carefully scrutinized. More than one hundred million dollars of United States bonds have been received, transferred, and deposited with the Treasurer during the past year, and twenty-five millions of dollars of bonds have been withdrawn and surrendered to the banks. Thirty millions of dollars of mutilated currency have been received, counted, and destroyed, and $52,000,000 of new currency issued to the banks. Many thousands of communications are annually received and promptly answered. If any success shall attend the administration of the responsible duties of the office, the Comptroller will be in a large measure indebted to the industry and efficiency of the Deputy Comp-troller, of the competent corps of examiners, and of the chiefs of the different divisions, and to the services of experienced clerks, who have assisted him in the discharge of these duties. A reorganization of the office, with increased pay corresponding to the responsibility of the different positions, would be a proper recognition of services which have too long been well performed without corresponding compensation.

Statement exhibiting the number and amount of notes issued, redeemed, and outstanding, Nov. 1, 1872:

	Number of notes issued.	Number of notes redeemed.	Number of notes outstanding.	Amount issued.	Amount redeemed.	Amount outstanding.
Ones	14,297,360	7,919,389	6,377,971	$14,297,360	$7,919,389.00	$6,377,971.00
Twos	4,781,628	2,406,389	2,374,239	9,563,256	4,816,778.00	4,748,478.00
Fives	31,933,348	5,960,667	25,972,681	159,666,740	29,803,335.00	129,863,405.00
Tens	11,253,452	1,699,702	9,553,750	112,534,520	16,997,020.00	95,537,500.00
Twenties	3,225,688	488,852	2,736,836	64,513,760	9,777,040.00	55,736,730.00
Fifties	497,190	126,180	371,019	24,859,030	6,309,000.00	18,550,950.00
One-hundreds	387,797	110,989	256,808	38,779,700	11,098,900.00	25,680,800.00
Five-hundreds	15,021	7,867	7,754	7,510,500	3,933,500.00	3,877,000.00
One-thousands	4,933	4,315	618	4,933,000	4,315,000.00	618,000.00
					$93,969,962.00	
Add for fragments of notes lost or destroyed					2,646.30	
Deduct for fragments of notes lost or destroyed						2,646.30
Totals	66,378,028	18,676,350	47,001,676	$434,060,788	$93,967,315.70	$340,093,470.30

APPENDIX.

Special attention is called to the carefully prepared tables contained in the appendix, exhibiting the aggregate resources and liabilities of all the National Banks, yearly, for the last ten years; to tables showing their condition during the present year, for five different periods, arranged by States and redemption cities, and separate statements of every bank of the Union upon the 3d day of October ultimo; also to tables exhibiting the different kinds of funds held as reserve; the dividends and earnings of the National Banks, by States and cities, semi-annually, from March 1, 1869, to Aug. 31, 1872; together with lists of insolvent banks, and banks which have gone into voluntary liquidation, and the amounts and different kinds of United States bonds deposited with the Treasurer as security for circulating notes. The appendix also contains an exhibit of the capital and dividends, semi-annually, for two years, of one hundred and sixteen of the leading banks of Great Britain and Ireland; and the interest laws of Rhode Island, Massachusetts, and Connecticut.

JOHN J. KNOX,
Comptroller of the Currency.

HON. JAMES G. BLAINE,
Speaker of the House of Representatives.

Amount of gold bank notes issued, not included in above, $1,604,100.

Statement showing the amount and kind of United States registered bonds held by the Treasurer of the United States to secure the redemption of the circulating notes of National Banks, of the 1st day of November, 1872:

Title of loan.	Rate of int.	Amount.
Loan of 1858	5 per cent.	$640,000
Loan of Feb. 8, 1861 (81's)	6 per cent.	4,069,000
Loan of July and August, 1861 (81's)	6 per cent.	58,778,250
Five-twenties of 1862	6 per cent.	8,680,550
Loan of 1863 (81's)	6 per cent.	32,030,450
Ten-forties, 1864	5 per cent.	104,867,950
Five-twenties of March 3, 1864	6 per cent.	2,054,000
Five-twenties of June, 1864	6 per cent.	16,201,150
Five-twenties of 1865	6 per cent.	11,743,100
Consols of 1865	6 per cent.	7,978,250
Consols of 1867	6 per cent.	14,613,900
Consols of 1868	6 per cent.	3,713,500
Funded loan of 1881	5 per cent.	106,157,050
United States bonds issued to the Pacific Railway Companies	6 per cent.	14,100,000
Total		$384,968,900

POSTAL TELEGRAPHY.

Report of the Postmaster General.

Argument Against the Present Telegraphic System.

A Governmental System Advocated.

We have received a copy of the report of the Postmaster General; but, in consequence of the crowded state of our columns to-day, we can present in this issue only that portion of the document which relates to a Postal Telegraph. The other interesting portions of the report will be given to our readers hereafter.

On the subject of Postal Telegraphy, Mr. Creswell says:

POSTAL TELEGRAPH.

In compliance with the provisions of law requiring the Postmaster General annually to fix the rates for official telegraphic despatches, I issued an order, dated the 20th of June, 1872, one section of which retained the previously-established rate for ordinary telegrams, viz.: one cent per word for each distance of two hundred and fifty miles, or fraction thereof, to which rate no formal objection had been made by the telegraph companies.

The rates established in 1871 for signal-service messages having been objected to as too low by the Western Union Telegraph Company, by whom the greater part of the service was performed, I again availed myself of the experienced counsel and assistance of Brigadier General Albert J. Myer, Chief Signal Officer, and Hon. William Whiting, specially retained as Assistant Attorney General, with authority to represent the United States in negotiations with the telegraph companies.

The Western Union Company contended, first, that the signal service messages, which, to be effective, require simultaneous transmission through special circuits at certain times, were not covered by the second section of the act approved July 24, 1866, entitled "An act to aid in the construction of telegraph lines, and to secure to the Government the use of the same for postal, military, and other purposes," and could only be sent by special arrangement; second, that the understanding under which the Company had been transmitting such reports was not intended to be continuous, but was terminable at the pleasure of the Company at the end of a year from the 24th of May, 1871, when the Company gave formal notice that it would discontinue the service unless a higher rate should be allowed therefor.

On both of these points I took the opposite ground, maintaining the right of the Government to require the transmission of the weather reports under the act of 1866, and also asserting the permanent character of the assent of the Company to this construction of the law. In view, however, of the representations of the Company as to the insufficiency of the compensation previously allowed, and acting on the recommendations of General Myer and Mr. Whiting, I advanced the rates for signal service messages from two to three cents per word for each circuit they might pass, in accordance with the plans of the Chief Signal Officer.

Grave difficulties have arisen from time to time between the Government and certain of the telegraph companies, which have declined and still decline to furnish such facilities as are essential to the perfect success of the signal service.

In my opinion, a Government telegraph affords the only safeguard against the continuance of such evils. While the embarrassment consequent on the attitude of the telegraph companies toward the Government demands prompt attention, it is but one of the many considerations which point to the adoption of a postal telegraph as a measure of immediate public necessity.

When, through the liberality of Congress, the first telegraph line had been constructed, and the partial success of the invention demonstrated, the question arose whether the Government should purchase the patent or relinquish to private parties the lines which it had built. The reasons why the Government should assume control of this new means of transmitting intelligence were forcibly set forth in various letters of the inventor, and in a report of the Ways and Means Committee of the House of Representatives.

This report, (No. 187, second session Twenty-eighth Congress,) after enlarging upon the wisdom of the policy which led the founders of our Government, "devoted as they are known to have been to the power and importance of the States, jealously apprehensive of the undue preponderance of the Federal branch," to "engraft on that branch a power so great, so growing, so penetrating and pervading as that of the Post Office system," and alluding to the extension of that power by the adoption of all the more rapid improved methods of transmission which had been introduced since the adoption of the Constitution, continues:

But, though not anticipated or foreseen, these new and improved modes were as clearly within the purview of the Constitution as were the older and less perfect ones with which our ancestors were familiar. * * * The same principles which justified and demanded the transference of the mail, on many chief routes, from horse-drawn coaches on common highways to steam-impelled vehicles on land and water, is equally potent to warrant the calling of the electro-magnetic telegraph in aid of the Post Office in discharge of its great function of rapidly transmitting correspondence and intelligence.

And again:

Should the arrangements into which he (the inventor) may find it necessary to enter with private individuals or associations stipulate exclusive rights in their favor, it is manifest how greatly Government and people would lie at their mercy. Having in their hands the monopoly of such a medium of intelligence on the important lines, they could make such use of their advantages over the Government and the community as would at length enable them to exact their own terms as the price of the surrender of their exclusive right; for the truth cannot be too often repeated, or too deeply impressed, in relation to this subject, that the people will never submit long to the mischiefs and discredit of the public post being outstripped by any private monopoly or establishment whatever. The loss of revenue will co-operate with the complaints and sufferings of the people to do what were better done at once, namely, to establish the telegraph in connection with and as a branch of the Post Office.

The following paragraph of the report must now be read with peculiar interest:

The Committee might easily add to the views and arguments which they have now presented others of a highly commanding character, especially those which relate to the extreme value of which the magnetic telegraph would be in the emergencies of war, and its singular adaptedness to render our system of Government easily and certainly maintainable over the immense space from the Atlantic to the Pacific which our territory covers. Doubts have been entertained by many patriotic minds how far the rapid, full, and thorough intercommunication of thought and intelligence so necessary to a people living under a common representative republic could be expected to take place throughout such immense bounds. That doubt can no longer exist. It has been resolved and put an end to forever by the triumphant success of the electro-magnetic telegraph of Professor Morse, as already tested by the Government.

Owing to the slowness of the public to recognize the advantages of the new invention, and the doubts cast on the feasibility of its operation over long distances, the course recommended by the Committee was not adopted, and the line, built and for some time maintained at Government expense, was turned over to the holders of the patent. Since that day the above predictions have been gradually approaching realization, and many evils, unforeseen by the Committee, have grown up under corporate management of the telegraph system.

If the effects of rivalry between the telegraph and the mail upon the revenues of the Post Office have not been serious, it is due alone to the liberal management of the latter as compared with that of the companies, a management which, since the invention of the telegraph, has reduced the rates of postage from twenty-five to three cents, and increased ten-fold the correspondence of the country. The natural policy of private companies is to extend facilities slowly and only to profitable points, to let their business augment gradually, and to reap large profits from a small number of messages, while a Government system, managed in the interests of the people, pursues exactly the opposite course. Had the policy of the Post Office been adopted by the telegraph companies, or had the Government held to the old rates of postage, the telegraph, instead of now transmitting one-fiftieth part of the annual correspondence of the country (collecting therefor one-third of the entire expense of the Post Office establishment), would probably transmit at least one-tenth. The profits required of private enterprises would not have permitted such a course. But improvements in telegraphy render it by no means certain that in future the telegraph will not to a very great extent supersede the mail as a means of correspondence. The introduction of the duplex transmitter, doubling the capacity of lines for through business, and of the "fast" or automatic system, by which one wire can be made to do the work of six; the probable simplification of the *fac simile* system of Caselli, by which an exact copy of anything that can be drawn or written may be instantaneously made to appear at a distance of hundreds of miles from the original; and the countless other applications of electricity to the transmission of intelligence yet to be made,—must sooner or later interfere most seriously with the transportation of letters by the slower means of the post.

Meanwhile, the immediate defects and abuses of the telegraph call loudly for reform. The system has grown up with and by the side of railroads, and has naturally directed itself to profitable and easily accessible districts. It has followed the march of civilization, and not, like the Post Office, led the van. It has waited for certain remuneration before advancing, without attempting to educate the people through its use to an appreciation of its advantages. On the contrary, its spirit has been too often illiberal and unprogressive. A glance at the telegraph map of the country shows large districts totally unprovided with telegraphic facilities, and many important places with Post Offices in their business centres dependent upon the outlying railroad stations for the means of telegraphing. The tariffs are exorbitant, unequal, and complex, supplemented in some cases by enormous charges for local delivery, and regulated entirely by the pleasure of the companies. In this connection I ask attention to the table (Telegraphs, 3) appended to this report. It has been carefully compiled from statistics kindly furnished me by the International Bureau of Telegraphs in Europe, by the Directors of the different National Bureaus, by Mr. George Sauer, an American gentleman residing in Europe, who has made the subject of Government Telegraphs a special study, and by the officers of several of the American companies, to all of whom I desire to express my acknowledgments. The table shows that, with a cost per mile for construction and equipment much lower here than in Bavaria, France, Great Britain, Italy, and the average of Europe, and about equal to that in Belgium and North Germany, and with a yearly expense per mile of line which will compare most favorably with that of the countries mentioned, the telegraph in this country collects an average of 70 cents on each message, against an average of 16 cents in Bavaria and Belgium, 28 in France, 29 in Great Britain, 32 in Italy, 22 in Germany, and 38 in Europe generally. On the Continent, the minimum tariff is for twenty words, including address and signature (which are estimated together to average seven words); in the United Kingdom it is for twenty words, exclusive of address and signature; while in the United States the address and signature are excluded, and ten words only allowed.

The table (Telegraphs, 4) gives a comparison of telegraphic tariffs in Europe with those in the United States as regards distance, showing the lowest average rate per mile on 32 messages sent from Washington to points east of the Mississippi River to be higher than the highest average rate per mile abroad (that in Russia), and the average rate per mile on 96 messages here to be from one and one-half to four times as high as those of Europe, notwithstanding the greater distances in this country.

The same table also marks most clearly the inequality and discriminating character of American tariffs, as opposed to the generally uniform rates of Europe.

The uniform system has recently been adopted in Canada, and a tariff of 25 cents established throughout the Dominion, with highly satisfactory results, as will be seen by reference to the statement of the President of the Montreal Telegraph Company (Telegraphs, 5), for which I am indebted to the honorable Postmaster General of Canada.

The complex and uncertain character of our rates, necessitating sometimes a personal visit to the office, and frequently a lengthy computation to ascertain the cost, is also one of the greatest obstacles in the way of the extended use of the telegraph. A uniform or simple and well known rate of charge permits the use of letter-boxes or other places of deposit.

The table (Telegraphs, 6) illustrates the extent to which the rates to large cities in the United States are burdened with delivery charges, which often double the cost of a message addressed to points very far within the free delivery of the Post Office. The abolition of this delivery charge in England by the Government has produced a most salutary effect.

But perhaps the greatest evil of the American system, in this regard, is the utter lack of restraint upon the companies as to their charges. When the "exclusive right," or patent, referred to in the report above quoted, expired, it was believed that competition would afford a remedy for the evils which were even then oppressively felt by those who had occasion to use the telegraphs. Events, however, have shown this belief to have been unfounded. Although new companies have from time to time sprung up to divide the profits of telegraphy, they have generally proved short-lived, and their reductions of tariff have been but temporary and within narrow limits. The vast extent of the lines of the companies now consolidated under the name of the Western Union has enabled them to reduce rates between places reached by the opposition to a point which barely enables the latter to meet expenses, without seriously impairing their own revenues. Incredible as it may appear, the official statements of the Western Union Company show that their average receipt per message has been increased eleven cents, or nearly 20 per cent, since 1867, notwithstanding the undoubted reductions of tariff between important points. Whether this is due to the augmentation of rates between offices not reached by competition, or to some other cause, I do not know.

Not only has competition thus failed to affect the great mass of the telegraphic business, but, in addition, there are evidences of a combination between the competing parties which has recently resulted in an advance of rates between points reached by the wires of both. The table (Telegraphs, 7) gives a few specimens of rates in operation previous to and since the 1st of May, 1872, which were fixed by agreement between companies formerly rivals. The movement is perfectly natural, and, from the companies' stand-point, justifiable; for it cannot be expected that a tariff which is perhaps highly profitable to one company will pay, on a dividend business, the more than doubled expenses of two, even if the capital invested in the opposition system could afford to wait for its dividends until the lines were so extended as to secure a fair share of patronage.

While, as I have stated, I believe that improved means of transmission will eventually render the telegraph a formidable rival of the mail, which it cannot be without large reductions in tariff, I am convinced by experience that these improvements will be adopted too slowly to meet the necessities of the people, and that, whatever the rates may be, the wires will be practically controlled by one corporation so long as they remain in private hands. The gradual reduction in rates, if ever made, will, therefore, be more than counterbalanced by the growth of the evils attending the management of the telegraphs by a private monopoly.

Among these evils may be classed the possible abuse of the wires for personal ends by business men controlling them; the enormous and dangerous extent of the free-message business; the discrimination between the messages of different customers, both as to rates and order of transmission; and the vast and irresponsible influence of telegraphic managers over the press of the country.

However unjust may be the suspicion that those controlling the telegraphs make use of the information passing over their wires, it will probably continue to impair public confidence in this means of correspondence so long as it remains in the hands of persons engaged in commercial pursuits. The business community, from which in this country by far the larger part of the telegraphic patronage is derived, will certainly be more reluctant to intrust its despatches to possible rivals than to officers of the Government. Were the latter, however, to

[Continued on Seventh Page.]

‡Since the above paragraph was written a great conflagration has taken place in Boston, resulting in the destruction of from seventy to eighty millions of property. The facts pertaining to the Boston banks were in many respects similar to those of Chicago. Their aggregate capital was $48,000,000; their surplus, $11,440,000; their bills receivable, $83,327,000; their deposits, $40,841,000; and their reserve, according to the latest official reports, about 25 per cent of their liabilities. The buildings of seven National Banks, out of forty-nine transacting business in the city, were destroyed by the fire, but their cash assets were subsequently recovered. On the second day after the commencement of the fire all the banks but one were represented at the Clearing House, and on the fourth day all of them had resumed business. The aggregate loss upon bills receivable is estimated at from two and a half to three millions of dollars. The losses of the banks are chargeable to surplus, which was in excess of the requirements of the law, and it is not supposed that the regular dividends to shareholders will be materially reduced by the disaster.

†Also $50,000 United States 6 per cent bonds on deposit with Treasurer.

§Briscoe vs. Bank of Kentucky, 11 Pet., 257.

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TO-DAY'S AMUSEMENTS.

ACADEMY OF MUSIC—Halsted street, south of Madison. Lingard Combination. "A Life's Dream," with Lingard sketches.

M'VICKER'S THEATRE—Madison street, between State and Dearborn. Engagement of Miss Jane Coombs. "School for Scandal."

AIKEN'S THEATRE—Wabash avenue, corner of Congress street. Rubinstein concert.

MYERS' OPERA HOUSE—Monroe street, between State and Dearborn. Arlington, Cotton & Kemble's Minstrel and Burlesque Troupe.

GLOBE THEATRE—Desplaines street, between Madison and Washington. The Lelia Ellis Ballad Opera Company, and farce of "Poor Pillicoddy."

STAR LECTURE COURSE—Union Park Congregational Church. Scott-Siddons readings.

BUSINESS NOTICES.

SALT RHEUM CURED BY USING JUNIPER TAR Soap. Manufactured by Caswell, Hazard & Co., New York.

WEST'S BAZAR, 280 AND 282 WABASH-AV., IS by far the cheapest place in Chicago to buy fancy goods for Christmas presents. A large and attractive stock at low prices. W. T. & CO., Importers.

FOR DYSPEPSIA, INDIGESTION, DEPRESSION of Spirits and General Debility, the Ferro Phosphorated Elixir of Calisaya Bark (Calisaya Bark and Iron), is the best tonic. Made by Caswell, Hazard & Co., New York, and sold by Druggists.

BATCHELOR'S HAIR DYE. THIS SPLENDID hair dye is the best in the world. The only true and perfect dye. Harmless, reliable, and instantaneous; no disappointment; no ridiculous tints or unpleasant odor. Remedies the ill effects of bad dyes and washes. Produces immediately a superb black or natural brown, and leaves the hair clean, soft, and beautiful. The genuine, signed W. A. Batchelor. Sold by all druggists. CHARLES BATCHELOR, Proprietor, N. Y.

The Chicago Tribune.

Tuesday Morning, December 3, 1872.

We publish this morning the Annual Report of the Comptroller of the Currency. It is an abler document than the average of reports from that Bureau, and will undoubtedly be carefully studied by the banking and commercial classes of the community.

The aspect of the local money market is somewhat more favorable. The increase in the number of hogs, cattle, beef, etc., shipped Eastward within a week, has made an increase in the amount of New York exchange on the market. Bills of exchange are only another kind of currency, and their increase is equivalent to an increase of circulating money in this market.

Secretary Boutwell tells us that the total receipts of the Government the last fiscal year were $374,106,867.56; the total expenses were $377,478,216.21; the reduction of the debt has been $99,960,253.54. Since March, 1869, the reduction of the debt has been $363,696,999.87, and the interest thus saved amounts to $24,187,851 annually.

Our columns contain this morning the important intelligence that railway communication was yesterday opened for the first time to the Iron Regions of Lake Superior. The completion yesterday of the new steel rail route to Milwaukee over the Milwaukee & St. Paul is also announced. Both events are of great importance to Chicago and the new country which is opened, and they deserve more notice than our crowded space allows.

The Society for the Suppression of Obscene Publications, in New York, has done good work of late,—its practical achievements being chiefly due to a young dry goods clerk, who has devoted himself to the cause. Having succeeded in suppressing the most notorious publications of obscene literature, it is now proposed to make a crusade against the quack physicians and cheap druggists who advertise, by means of circulars and pamphlets of the most revolting description, and whose professional character secure them a circulation where they can do most harm.

The Imperial Railway, from Yokohama to Yeddo, was formally opened on the 14th of last October, and was made the occasion of National rejoicing. A correspondent of the Springfield (Mass.) *Republican* gives an account of the ceremonies, which were unusually interesting, from the fact that it was the first time in the history of Japan that one of its monarchs had openly exhibited himself to his people. The two facts, first of the opening of a railroad, and second, of the exhibition of a sovereign whose forefathers were thought to be too sacred for vulgar eyes to look upon, shows a progress which is very remarkable, and will create a very decided respect for the courage of the Mikado, who, with such precedents as he has had in his ancestors for centuries past, has ventured to set them all aside.

The subscriptions for the relief of Harvard College, whose sources of income were virtually cut off by the Boston fire, had reached the sum of $102,190 on the 26th ult. The whole amount asked for by the College is about $250,000, which approximates to the amount lost in the fire. Without this aid, it is extremely doubtful whether the College would be able to continue operations, as it has no other sources of income which are available for educational purposes. In this connection, Professor Eliot, of Harvard, has published a communication in the Boston *Daily Advertiser*, showing that in the year 1871–72 each of the 621 undergraduates cost the College about $100 more than he paid, and that in the year 1870–71 each undergraduate cost about $95 more than he paid, and in this statement no account is taken of the value of lands, public buildings, libraries, and collections of the city.

The *Nation* publishes a letter from a correspondent,—who asserts a personal knowledge of what he writes,—in which it is stated that the new Postmaster of Philadelphia is a personal friend of Senator Cameron, and the real choice of the latter for that office. It is claimed that the retiring Postmaster is the political friend of Mr. Cameron, and that the promotion of Mr. Fairman was an arranged matter with Mr. Cameron. If this be true, it places Mr. Cameron in a position of even greater depravity than is generally assigned him. His visit with Hartranft and Stokely and O'Neill to Washington, to demand of the President the appointment of Mr. Truman was then a fraud,—a fraud upon his companions, a fraud upon the public, and a fraud upon the President, and yet it is consistent with Simon Cameron's whole public and private life.

Stanley's recent expedition to find Livingstone has given a renewed interest to African exploration, and the expedition now fitting out by the Berlin Geographical Society to explore Central Africa is attracting unusual attention in Europe. The German Society is acting upon the theory that there is an area in the middle of Africa, of about a million square miles, which has never yet been entered by any travellers, although Livingstone, Burton, Grant, Speke, Mungo Park, Barth, Du Chaillu, Dr. Schweinfurth, and others have approached it on all sides. It is believed that it constitutes one and the same geographical province, with different flora and fauna from the rest of Africa, and inhabited by different people. The great obstacle to travellers hitherto has been the slave trade and the dangerous condition of the country to which it gives rise, which renders passports or arrangements for safe conduct of no avail. The expedition of the German Society will be organized with reference to overcoming this obstacle, and if, as is stated, this region is rich in fruits, spices, and ivory, its opening up for commercial purposes will be a handsome reward for the labors of the Society.

Specie payments, according to Secretary Boutwell, are to be reached, not by contraction, to which the country is averse, but by making our paper currency consist of United States notes and National Bank notes, and by a steady refusal to add to this currency until it is equal in value to coin. This last result is to follow from growth of trade caused by the increase of population, the multiplication of industries, the development of the South, and the use of paper in Texas and the Pacific States. This approach of the business of the country to the volume of its currency may be accelerated if the Government will so encourage American shipping that its annual earnings amount to $80,000,000, instead of the $30,000,000 which is now in our hands, and is but 28½ per cent of the carrying trade that fills our harbors. In addition, Government should do something, which the Secretary does not specify, to quicken internal transportation, and, lastly, it must continue to protect the iron, wool, and cotton industries, and discourage competing importations. In this way we shall reach the time when the Treasury will pay its demand notes in coin, and the banks meet their notes with coin or legal tender.

The Chicago produce markets were generally dull yesterday. Mess pork was 15@25c lower; at $13.00 for old, $12.00 for new, and $12.25@12.37½ for new seller March. Lard was active but easier, at 7¾c for cash and 7⅝@7¾c seller March. Meats were dull at 3⅝c for shoulders, 5⅞@6c for short ribs, and 6¼c for short clear, all part salted. Green hams active and steady at 7@7½c per lb. Highwines were more active, and steady at 88c per gallon. Flour was less active but firm. Wheat was tame at ⅜c advance, closing at $1.09⅝ cash, and $1.10⅝c seller January. Corn was dull and unchanged, closing at 30⅞@31c cash, and 31⅝c seller January. Oats were firm and quiet, at 24@24¼c seller the month, and 24⅜@24⅝c seller January. Rye was quiet and ½c higher, at 57½c. Barley was less active, but a shade firmer, at 61@61½c for No. 2; 52c for No. 3, and 61½c seller the month. The hog market was fairly active at 5@10c decline from Saturday's prices, or at $3.80@4.05 for common to choice. The receipts from Jan. 1 to Dec. 1 aggregate 2,739,509, against 1,923,252 for the corresponding period last year,—an increase of 816,257. There was no considerable demand for cattle, and prices were nominally unchanged. Sheep remain quiet and easy.

The New York *Times* has distinguished itself by endeavoring to take a commercial advantage of Mr. Greeley's death. The body of its obituary article did not consist so much of kind words for the deceased journalist, as of comments upon the probable decadence of his newspaper without him. Of Mr. Greeley himself, it was content to show that his death was premature; that there was reason to believe that he was insane during the whole campaign; and that "he died of Liberal Republicanism." In another article on "Mr. Greeley's Career," it held that his great popularity and reputation were the results of the intellectual superiority which he exerted fifteen, or twenty, or twenty-five years ago, when American civilization was of a more primitive character. While it is unpleasant to contemplate what Mr. Carlyle would call the "nastiness" of this treatment of Mr. Greeley's death, it should not be overlooked, because it was the only thing necessary to illustrate the greatness of the deceased editor of the New York *Tribune*, and the comparative littleness of the present conductors of the New York *Times*. Mr. Greeley was not more the New York *Tribune* than Mr. Raymond was the New York *Times*. Upon the death of the latter, neither the *Tribune* nor any other paper predicted the decay and dissolution of the *Times*. Yet that method of treating the decease of a brother journalist would have been as appropriate and decorous as the *Times'* unhappy and inopportune squealing at the open grave of Mr. Greeley.

Three great changes in our financial system, says the Secretary of the Treasury, grew out of the war. These were the initiation of a broad system of Protection, through the imposition of heavy customs-duties; the issue of paper money by the Government; and the National Bank system. These three measures, the Secretary confidently asserts, have won popular support, and will remain substantially undisturbed until the effects of the war have disappeared. For ten years the weight of the debt has prevented any discussion of the principles of Free Trade. During that period Protective policy has been in force, and the country has prospered. A reduction of customs duties may be expected, he says, but not such as to disturb this beneficent interdependence between the Government and the industry of the country. The principles of Political Economy, the Secretary evidently believes, differ widely in their range from all other principles, for they are only national, not cosmopolitan, as Mr. Boutwell perhaps thinks to be the case with common sense and the multiplication table. A long dissertation follows in favor of Protection, which, to use the Secretary's language, we hope the weight of the debt will prevent the people from considering. The other two results of the war, the Government issues of paper and the National Bank notes, the Secretary considers together. He opposes the discontinuance of the National Banks, as it would throw the $400,000,000 of bonds held by them on the market, would cripple the banking business of the country, would deprive the Government of the aid of the banks, and would restrict exchanges between different sections of the country. The circulation of the banks is limited by law, and they are thereby prevented from responding to the increased demand for currency, at such times, for instance, as the movement of the crops of the West and South to the seaboard. Nor can the Treasury any longer accumulate reserves as in the days when its currency receipts were greater than its currency expenditures. To remove the legal restrictions on bank circulation, the Secretary argues, would be the fatal mistake of allowing the currency to be inflated at the dictation of the pecuniary interests of the bank managers. The problem is to find an agency to increase the currency when it is needed to move fall produce, and contract it when this movement has been effected. Since the banks cannot be trusted with this delicate duty, to whom, he asks, would you confide it, if not to the Treasury?

THE MAYOR'S MESSAGE.

The annual message of Mayor Medill to the Common Council will be found in THE TRIBUNE this morning. It gives a resume of the year's business, a year which the Mayor aptly describes as one of "settlement, liquidation, retrenchment, and restoration." The bonded debt is $13,546,000, and the floating debt $1,895,400. This floating debt consists of unpaid debts incurred before the fire, the taxes to pay which were repealed a year ago. It also embodies $500,000 for rebates on special assessments made in former years.

During the year 21 miles of water-pipes were laid, making an aggregate of 309 miles. Work on the new tunnel has been begun, and there is a prospect of a speedy and sufficient supply of water.

The Mayor advises the abandonment of the extension of Milwaukee avenue, and that the condemned property be resold.

He renews his special recommendations of precautions against fire by the increase of the fire and police force, the purchase of hose and fire-extinguishers, and other preventive measures. He claims that prevention of fires is the best insurance, and calls attention to the fact that the average rate of insurance on property in this city exceeds the taxes levied on the same property.

He details the proceedings taken to diminish or abate the nuisances of the rendering establishments, and advises their removal from the city. He congratulates the Council on the arrangements made with the railroads, whereby viaducts are to be maintained over all street-crossings, and generally congratulates the city upon the comparative prosperity and success which the last year has witnessed, not only in the administration of the Municipal Government, but in the business, commerce, rebuilding, and general welfare of the city.

THE PRESIDENT'S MESSAGE.

The tone of the President's Message is superior to that of any of his previous communications to Congress. There are certain recommendations embodied in it in which we cannot concur, and notably those relating to steamship subsidies and the postal telegraph scheme; but we are pleased to observe in the general drift and scope of the document a better comprehension of public affairs, and a more diligent application to business than we have heretofore noticed in General Grant's messages.

The message begins with an appropriate allusion to the Boston fire, and without further preface it communicates to Congress the results of the Geneva Conference. The temporary interruption of the Conference by the claim for indirect damages, the President says, was solved "in a manner entirely satisfactory to this Government, and in accordance with the views and the policy which it had maintained." The thanks of our Government have been expressed to the Governments which appointed the Geneva Arbitrators, and also to the Arbitrators themselves. The President also highly commends the services of Mr. Charles Francis Adams, and states that the Queen of Great Britain has signified her appreciation of the ability and industry displayed by that gentleman. The services of Mr. Bancroft, in presenting our case to the Emperor of Germany in the matter of the San Juan award, are also highly commended. The President recommends that Congress immediately pass the necessary laws to carry into effect the clauses of the treaty regarding the fisheries,—the most important of which is that which provides for the admission of Canadian-caught fish and fish oil free of duty. With the final adjustment of this treaty, our relations with Great Britain will be of the most friendly character, which the President says it shall be his endeavor to maintain unbroken.

Those who expected to find in the message the foreshadowing of an aggressive policy toward Mexico, Cuba, and the West Indies will be disappointed. The continuance of the Cuban rebellion is referred to, and the continued existence of Cuban slavery condemned, but there is no intimation of a purpose to interfere with either, except in the way of friendly advice to the Government of Spain, and the adoption of measures, if practicable, to prevent American citizens from holding or dealing in slaves in Cuba. There is no allusion in the message to Santo Domingo.

The total receipts of the Treasury for the fiscal year ending June 30, 1872, reached the large sum of $374,106,837, of which $216,370,286, or nearly two-thirds, was derived from duties on imports. The receipts from internal taxation were $130,642,177. The disbursements during the same period were $377,478,216, of which $106,918,520 was for redemption of the principal of the public debt, and $117,357,839 for interest. The current expenses of the Government, exclusive of these two items, were $153,201,857.

The President recommends that there be no further reduction of taxes at present. He thinks that justice to the public creditors requires that the existing rate of taxation be maintained, and that specie payments should be resumed as soon as practicable, "having due regard to the interests of the debtor class and the vicissitudes of trade and commerce."

Attention is called to plans for providing some cheaper means of transporting the products of the West and Southwest to the Atlantic seaboard. We regret that the only plans suggested are the proposed canal from the Lower Mississippi to Charleston or Savannah, and the proposed extension of the Kanawha & James River Canal, in Virginia, to the Ohio River. These canals would afford very little relief to the Northwest, where the pressure is now greatest. The President recommends that a Committee or Commission be appointed to take the whole subject under consideration.

The Postal Telegraph scheme is recommended in general terms; but it is not expected that decisive action will be taken thereon during the present session of Congress.

The decrease of our ocean-carrying trade has continued during the year, at an alarming rate, the President says, and it is suggested that an appropriation of $5,000,000 per annum might be usefully made in the endeavor to recover it. This is a very important matter, and we shall reserve what we desire to say regarding it for future discussion.

Civil Service Reform does not receive the attention which the public had been led to expect. The question is disposed of in a general way. The President says that he shall adhere to the Civil Service regulations promulgated last year, so far as they promise to furnish competent officers. Of course, this is all that can be asked or expected, if there is a real intention to effect a reform, but, on the other hand, it leaves open a wide door for the Camerons and Logans, and other opponents of Civil Service Reform, to drive their team through.

We have touched upon the leading points in the message only. There are a number of less important subjects discussed, which we shall allude to hereafter. Meanwhile, the document itself should be attentively perused by all.

REDUCING INTERNAL REVENUE EXPENSES.

At the last session of Congress, an act was passed providing for the consolidation of United States' Assessors' Districts, limiting the number in all to eighty, but delegating to the Commissioner of Internal Revenue the process of consolidation. To bring the number of districts within the limit of the law, it would be necessary to unite two, three, and, in some cases, four, districts in one. Commissioner Douglass says, in his report, that it was found that an immediate reduction, in the manner prescribed by Congress, could not be made without danger of losing a large amount of revenue. As an illustration of this possible loss, he points to the fact that Congress, last June, estimated the whole amount of internal revenue for the fiscal year at $110,000,000, while the collections of the first quarter of the current year were at the rate of $125,000,000 per annum. The difference is accounted for in back taxes due under the laws that had subsequently been repealed, and the Commissioner is of the opinion that this difference would have been largely sacrificed by suddenly taking off the officials who, familiar with the affairs of their respective districts, knew how much was owing and who owed it. This comes in the shape of an excuse for deferring an application of the new law; but, as the law has not yet been applied, Commissioner Douglass suggests another plan for reducing the expenses of the Internal Revenue Department, which is much more likely to accomplish the purpose of economy. This plan is briefly the abolition of the offices of Assessor and Assistant Assessor in the Internal Revenue service. He believes that all that is left for the Assessors to do, under the modifications of the Internal Revenue law, can be done just as well by the Collectors and the Washington Bureau. He finds but three duties of the Assessors, at present, which could not be discharged with equal propriety and safety by the several Collectors, and these three duties he proposes to have remanded to the Washington Bureau. They are the assessment of the deficiency taxes of distillers; the special or license taxes, which are levied but once a year; and the tax on banks and bankers, payable only twice a year, and being the only taxes on corporations that are now levied. As most of these taxes, which are the only ones of a special or isolated character, are usually taken to the Bureau of Internal Revenue for review and readjustment, there seems to be no good reason why they should not be sent there directly and certified back to the Collectors of the several districts. At one time, the tax on corporations, when it was much more general and complicated than now, was collected directly by the Washington Bureau, and the entire business was disposed of by fifteen clerks; in its present limited shape, there is no doubt that it could be handled by a smaller number of employes.

The recommendation of the Commissioner will be received with favor by all classes who believe in the true spirit of Civil Service Reform, which is the economy of the public moneys. It is a vast improvement upon the law of Congress, looking to the same object, and reducing the number of Assessors' districts. In still keeping eighty Assessors, and the same number of Assistant Assessors, two distinct departments, with the separate offices, organizations, and expenses of each, are retained. The number of subordinate employes is about 1,300; and, while the Congressional law recommends a reduction of these as rapidly as consistent, it leaves the matter to the discretion of the Assessors themselves. It is not easy to displace more than a thousand place-holders, and, as the Commissioner says, "nothing short of unequivocal, inexorable law can surely do it." The plan which he suggests summarily disposes of 230 Assessors, 230 Assistant Assessors, and 1,000 subordinates. The Assessors' salaries, at $5,000 each, amount to $1,150,000 per year; the salaries of 1,300 assistants, at an average of $5 each per day, would amount to $1,950,000, counting 100 working days in the year. By doing away with the department of Assessors altogether, there would thus be a saving of $3,000,000 annually. The increased subordinate service in the Collectors' offices would not amount to more than $1,000,000 a year, at the outside, for there would only be one set of high-salaried officials instead of two sets, one set of office-expenses, more work, and less idleness. It is thus possible to make an annual saving of at least $2,000,000 in the Internal Revenue system alone.

Mr. Douglass' plan will be likely to meet with opposition from certain Congressional politicians, who will see in it a reduction of the offices which they expected to parcel out as rewards for their retainers, their "strikers and blowers." Its consideration, however, will be a tolerably good test of the disposition of the present Congress in regard to the practical support of the Civil Service Reform measures which President Grant has already inaugurated.

—Miss Mary Nolan, of the St. Louis *Central Magazine*, has applied for a patent for a portable reservoir, of her invention, which is to be used in preventing large fires.

PRESIDENT'S MESSAGE.

[*Continued from the First Page.*]

appropriately to belong, of all the powers and duties in relation to the Territories with which the Department of State is now charged by law or by custom.

RELIEF FOR DISTRESSED AMERICANS ABROAD.

Congress, from the beginning of the Government, has wisely made provision for the relief of distressed seamen in foreign countries. No similar provision however, has hitherto been made for the relief of citizens in distress abroad, other than seamen. It is understood to be customary with other Governments to authorize Consuls to extend such relief to their citizens or subjects in certain cases

A similar authority and an appropriation to carry it into effect are commended in case of citizens of the United States destitute or sick, under such circumstances. It is well known that such citizens resort to foreign countries in great numbers. Though most of them are able to bear the expenses incident to locomotion, there are some who, through accident or otherwise, become penniless, and have no friends at home able to succor them. Persons in this situation must either perish, cast themselves upon the charity of foreigners, or be relieved at the private charge of our own officers, who usually, even with the most benevolent dispositions, have nothing to spare for such purposes. Should the authority and appropriation asked for be made, care will be taken to carry the beneficence of Congress into effect, that it shall not be unnecessarily or unworthily bestowed.

TREASURY.

The money received and carried into the Treasury during the fiscal year ending June 30, 1872, were:

RECEIPTS.

From customs	$216,370,286.77
From sales of public lands	2,575,714.19
From Internal Revenue	130,642,177.72
From tax on National Bank circulation, etc.	6,523,396.39
From Pacific Railroad Companies	749,861.87
From Customs, fines, etc.	1,136,442.34
From fees, Consular, patent land, etc.	2,284,095.92
From miscellaneous sources	4,412,254.71
Total ordinary receipts	364,694,229.91
From premium on sales of coin	9,412,637.65
Total net receipts	$374,106,867.56
Balance in the Treasury June 30, 1871, including	1,822,835
Since received from the unavailable sources	109,935,705.59
Total available cash	484,042,573.15

The net expenditures by warrants during the same year were:

EXPENDITURES.

For civil expenses	$16,189,079.70
For foreign interests	18,409,369.14
Indians	7,065,728.82
Pensions	28,533,402.76
For military establishments, including fortifications, river and harbor improvements, and arsenals	35,372,157.20
For naval establishments, including vessels and machinery, and improvements at navy yards	21,249,809.99
For miscellaneous civil, including public buildings, light houses, and collecting the revenue	42,958,329.08
Interest on the public debt	117,357,839.72
Total, exclusive of principal and premium on public debt	$270,559,695.91
For premium on bonds purchased	$4,958,766.76
For redemption of the public debt	99,960,253.54
Total	$106,918,520.30
Total net disbursements	$377,478,216.21
Balance in the Treasury, June 30, 1872	106,563,356.94
Total	$484,042,573.15

REDUCTION OF THE DEBT.

From the foregoing statement, it appears that the net reduction of the principal of the debt, during the fiscal year ending June 30, 1872, was $99,960,253.54. The source of the reduction is as follows:

Net ordinary receipts during the year	$364,694,229.91
Net ordinary expenditures, including interest on the public debt	270,559,695.91
Balance	$94,134,534.00
Add amount of receipts from premium on sales of gold in excess of the premium paid on bonds purchased	2,454,470.89
Add amount of a reduction of the cash balance at the close of the year, accompanied with the sale at the commencement of the year	337,348.65
Total	$99,960,253.54

This statement treats solely of the principal of the public debt. By the monthly statement of the public debt, which adds together the principal and interest due and unpaid, and interest accrued to date due, and deducts the cash in the Treasury, as according on the day of publication, the reduction was $100,544,491.28.

The source of this reduction is as follows:

Reduction in principal account	$99,960,603.54
Reduction in unpaid interest account	3,330,952.96
Total	$103,290,956.50
Reduction in cash on hand	2,746,465.22
Total	$100,544,491.28

On the basis of the last table, the statements show a reduction of the public debt from the 1st of March, 1869, to the present time as follows:

From March 1, 1869, to March 1, 1870	$87,134,782.84
From March 1, 1870, to March 1, 1871	117,619,630.25
From March 1, 1871, to March 1, 1872	94,895,348.94
From March 1, 1872, to Nov. 1, 1872, eight months	64,047,237.84
Total	$363,696,999.87

TAXATION.

With the great reduction of taxation, by the acts of Congress at its last session, the expenditure of the Government in collecting the revenue will be much reduced for the next fiscal year. It is very doubtful, however, whether any further reduction of so vexatious a burden upon any people will be practicable for the present. At all events, as a measure of justice to the holders of the nation's certificates of indebtedness, I would recommend that no more legislation be had upon this subject, unless it be to correct errors of omission or commission in the present laws, until a sufficient time has elapsed to prove that it can be done and still leave sufficient revenue to meet the current expenses of the Government, pay interest on the public debt, and provide for the Sinking Fund established by law. The preservation of our nation's credit is of the highest importance.

RETURN TO SPECIE.

Next in importance to this comes a solemn duty to provide National currency of fixed unvarying value as compared with gold and as soon as practicable, having due regard for the interests of the debtor class and the vicissitudes of trade and commerce, and convertible into gold at par.

WAR DEPARTMENT.

The report of the Secretary of War shows the expenditures of the War Department for the fiscal year ending June 30, 1871, to be $35,799,991.82, and for the fiscal year ending June 30, 1872, to be $35,372,157.20, showing a reduction in favor of the last fiscal year of $427,834.62. The estimates for military appropriations for the next fiscal year ending June 30, 1874, are $33,380,137.878.

The estimates of the Chief of Engineers are submitted separately for fortifications, river and harbor improvements, and for public buildings and grounds, and the Washington aqueduct.

FREEDMEN'S BUREAU.

The affairs of the Freedmen's Bureau have all been transferred to the War Department, and regulations have been put into execution for the speedy payment of bounty, pay, etc., due the colored soldiers, properly coming under that Bureau. All the war accounts for money and property prior to 1871, have been examined and transmitted to the Treasury for final settlement. During the fiscal year there has been paid for transportation on railroads $1,300,000, of which $80,857 was over the Pacific Railroads; for transportation by water, $62,637,352, and by stage, $4,897,589; and for the purchase of transportation animals, wagons, hire of teamsters, etc., $92,465,064. About $370,000 have been collected from Southern railroads during the year, leaving about $4,000,000 still due.

The Quartermaster has examined and transmitted to the accounting officers for settlement $36,717,272 of claims by loyal citizens for Quartermasters' stores, taken during the war. Subsisting supplies to the amount of $8,904,812 have been issued to Indians.

The annual average mean strength of the army was 24,210 white, and 2,494 colored soldiers. The total deaths for the year reported, were 367 white and 54 colored.

The distribution of the medical and surgical history of the war is yet to be ordered by Congress. There exists an absolute necessity for a medical corps of the full number established by act of Congress of July 28, 1866,—there being now 59 vacancies, and the number of successful candidates rarely exceeds 8 or 10 in any one year.

THE RIVER AND HARBOR IMPROVEMENTS

have been carried forward with energy and economy, though many are only partially completed. The results have saved to commerce many times the amount expended. The increase of commerce with greater depth of channels, greater security in navigation, and the saving of time, adds much to the wealth of the country, and increases the resources of the Government.

The bridge across the Mississippi River at Rock Island has been completed, and the proper site has been determined upon for the bridge at LaCrosse.

The able and exhaustive report made by the Commission appointed to investigate the Sutro Tunnel has been transmitted to Congress.

The observation and reports of the Signal Office have been continued. Stations have been maintained at each of the principal lake, seaport, and river cities. Ten additional stations have been established in the United States, and arrangements have been made for an exchange of reports with Canada, and a similar exchange of observations is contemplated with the West India Islands.

The favorable attention of Congress is invited to the following

RECOMMENDATIONS

of the Secretary of War: A discontinuance of the appointment of extra Lieutenants to serve as Adjutants and Quartermasters; the adoption of a code providing a specific penalty for well-defined offences, so that the irregularity of sentences adjudged by court-martial may be adjusted; the consolidation of accounts under which expenditures are made, as a measure of economy; a reappropriation of the money for the construction of a depot at San Antonio, the title to the site being now perfected; a special act placing the cemetery at the City of Mexico on the same basis as other national cemeteries; authority to purchase sites for military posts in Texas; the appointment of commissary sergeants from non-commissioned officers, as a measure for securing the better care and protection of supplies; an appropriation for the catalogues and tables of the anatomical section of the army medical museum; a reappropriation of the amount for the manufacture of breech-loading arms, should the selection be so delayed by the Board of Officers to leave the former appropriations unexpended at the close of the fiscal year; the sale of such arsenals east of the Mississippi as can be spared, and the proceeds applied to the establishment of one large arsenal of construction and repair upon the Atlantic coast, and the purchase of a suitable site for a proving and experimental ground for heavy ordnance; the abrogation of the laws which deprive inventors in the United States service from deriving any benefit from their invention: the repeal of the law prohibiting promotions in the staff corps; a continuance of the work upon the coast defences; the repeal of the seventh section of the act of July 13, 1866, taking from engineer soldiers the *per diem* granted to other troops; a limitation of time for the presentation of subsistence supplies under act of July 4, 1864, and a modification in the mode of the selection of cadets for the Military Academy in order to enhance the usefulness of the academy, which is impaired by reason of the large amount of time necessarily expended in giving new cadets a thorough knowledge of the more elementary branches of learning, which they should acquire before entering the Academy; also an appropriation for philosophical apparatus and an increase in the number and the pay of the Military Academy Band.

CHEAPER TRANSPORTATION.

The attention of Congress will be called, during its present session, to various enterprises for the more certain and cheaper transportation of the constantly increasing surplus of the Western and Southern products to the Atlantic sea border. The subject is one that will force itself upon the legislative branch of the Government sooner or later, and I suggest, therefore, that immediate steps be taken to gain all available information to insure equitable and just legislation. One route to connect the Mississippi Valley with the Atlantic at Charleston, S. C., and Savannah, Ga., by water, by the way of the Ohio and Tennessee rivers and canals, and slack water navigation to the Savannah and Ocmulgee rivers, has been surveyed and a report made by an accomplished engineer officer of the army. Second and third new routes will be proposed for the consideration of Congress, namely, by an extension of the Kanawha and James River Canal to the Ohio, and by the extension of the Chesapeake and Ohio Canal.

I am not prepared to recommend Government aid to these or other enterprises, until it is clearly shown that they are not only of national interest, but that when completed they will be of a value commensurate with their cost. That the production increases more rapidly than the means of transportation in our country has been demonstrated by past experience. That the unprecedented growth in the population and projects of the whole country will require additional facilities and cheaper means for the more bulky articles of commerce to reach tide water and a market, will be demanded in the near future, is equally demonstrable. I would, therefore, suggest a Committee or Commission to be authorized to consider the whole question, and to report to Congress at some future day for its better guidance in legislating on the important subject.

The railroads of the country have been rapidly extended during the last few years to meet the growing demands of producers, and reflect much credit upon the capitalists and managers engaged in their construction.

In addition to these, a project to facilitate commerce by the building of a ship canal around Niagara Falls, on the United States side, which has been agitated for many years, will, no doubt, be called to your attention this session. Looking to the great future of the country, the increasing demands of commerce, it might be well, while on this subject, not only to have examined and report upon the various practicable routes for connecting the Mississippi with the tide-water on the Atlantic, but the feasibility of an almost continuous land-locked navigation from Maine to the Gulf of Mexico. Such a route along our coast would be of great value at all times, and of inestimable value in case of a foreign war. Nature has provided the greater part of this route, and the obstacles to be overcome are easily within the skill of the engineer.

I have not alluded to this subject with the view of having any further expenditure of public money at this time than may be necessary to procure and place all the necessary information before Congress in an authentic form, to enable it hereafter, if deemed practicable and worthy, to legislate on the subject without delay.

NAVY DEPARTMENT.

The report of the Secretary of the Navy, herewith accompanying, explains fully the condition of that branch of the public service, its wants and deficiencies, expenses incurred during the past year, and appropriations for the same. It also gives a complete history of the services of the Navy for the past year in addition to its regular services. It is evident that unless steps are taken to preserve our navy, that in a very few years the United States will be the

WEAKEST NATION

upon the Ocean, of all the great powers. With an energetic, progressive people like ours, penetrating and forming business relations with every part of the known world, a navy strong enough to command the respect of our flag abroad is necessary for the full protection of their rights. I recommend careful consideration by Congress of the recommendations made by the Secretary of the Navy.

POST OFFICE DEPARTMENT.

The accompanying report of the Postmaster General furnishes a full and satisfactory exhibit of the operations of the Post Office Department during the year. The ordinary revenues of the Department for the fiscal year ending June 30, 1872, amounted to $21,915,426.37, and the expenditures $26,658,192.21. Compared with the previous fiscal year, the increase of revenue was $1,878,380.95, or 9.37 per cent, and the increase of expenditures $2,268,088.23, or 9.29 per cent. Adding to the ordinary revenues the annual appreciation of $700,000 for free matter and the amounts paid to the subsidies on mail steamship lines from special appropriations, the deficiency paid out of the general treasury was $3,317,765.94, an excess of $389,706.28 over the deficiency for the year 1871. Other interesting statistical information relating to our rapidly-extending postal service is furnished in this report. The total length of railroad mail routes on June 30, 1872, was 57,911 miles; 8,077 additional miles of such service having been put into operation during the year. Eight new lines of railway Post Offices have been established, with an aggregate length of 2,909 miles. The number of letters exchanged in the mails with foreign countries was 24,362,500, an increase of 4,066,502, or 20 per cent over the number in 1871, and the postage thereon amounts to $1,871,257.25. The total weight of the mails exchanged with European countries exceeded 820 tons. The cost of the United States trans-Atlantic mail steamship service was $220,301.70. The total cost of the United States ocean steamship service, including the amounts paid to the subsidized lines of mail steamers, was $1,107,020.97. The following are the only steamship lines now receiving subsidies for mail service, under special acts of Congress: The Pacific Mail Steamship Company receive $500,000 per annum for carrying a monthly mail between San Francisco, Japan, and China, which will be increased to $1,000,000 per annum, and a semi-monthly mail on and after Oct. 1, 1873. The United States & Brazil Mail Steamship Company receive $150,000 per annum for carrying a monthly mail between New York and Rio de Janeiro, Brazil; and the California, Oregon & Mexico Steamship Company receive $75,000 per annum for carrying a monthly mail between San Francisco and Honolulu, Hawaiian Islands, making the total amount of mail steamship subsidies at present $725,000 per annum. Our postal communications with all parts of the civilized world have been placed upon a most advantageous footing by the improved postal conventions and arrangements recently concluded with the leading commercial countries of Europe and America, and the gratifying statement is made that with the conclusion of a satisfactory convention with France, the details of which have been definitely agreed to by the head of the French Postal Department, subject [illegible] proval of the Minister of Finance, [illegible] to be accomplished by treaty for [illegible] come.

With respect to a reduction of [illegible] proved facilities for postal intercourse [illegible] vorable consideration is respect[illegible] vited to the recommendations [illegible] Postmaster General for an increase [illegible] from monthly to semi-monthly trips [illegible] steamship route to Brazil; [illegible] sidy in aid of the establishment [illegible] American line of mail steamers [illegible] Francisco, New Zealand, and Australia [illegible] establishment of Post Office savings [illegible] for the increase of the salaries of the [illegible] Bureaus.

THE FRANKING PRIVILEGE.

I have heretofore commended the [illegible] the franking privilege, and know no [illegible] for changing my views on that subject [illegible] having been favorably regarded [illegible] however, I now suggest a modification [illegible] privilege to correct its glaring and [illegible]

POSTAL TELEGRAPHY.

I would recommend, also, the [illegible] a Committee or Commission to [illegible] sideration the best method, [illegible] corporations who have invested [illegible] capital in the establishment of [illegible] of acquiring the title to all the [illegible] now in operation, and of connecting [illegible] with the postal service of the nation [illegible] probable that this subject could [illegible] proper consideration during the limited session of Congress, but it may be [illegible] that any further action may be fair [illegible] ernment and to private parties concerned.

AMERICAN MAIL STEAMSHIP [illegible]

There are but three lines of ocean [illegible] namely, the Pacific Mail Steamship [illegible] between San Francisco, China, and Japan [illegible] provision made for semi-monthly service [illegible] Oct. 1, 1873; the United States and Brazil [illegible] monthly; and the California, New Zealand [illegible] Australian line, monthly, plying between [illegible] United States and foreign ports, and [illegible] operated under our flag. I earnestly [illegible] mend that such liberal contracts for carrying [illegible] mails be authorized with these lines [illegible] sure their continuance, if the [illegible] extending the aid of the Government [illegible] lines of steamers, which hitherto [illegible] received it, should be deemed [illegible] the consideration of Congress [illegible] commercial objects make it advisable [illegible] such aid on a line under our flag between [illegible] ma and the western South American [illegible] this means, much trade, now diverted [illegible] countries, might be brought to us, to the [illegible] advantage of this country and those [illegible] that quarter of the continent of America.

AMERICAN COMMERCE.

The report of the Secretary of the [illegible] will show an alarming falling off in our [illegible] trade for the last ten or twelve years [illegible] for the past year. I do not believe that [illegible] lic treasure can be better expended in the [illegible] est of the whole people than in trying to [illegible] this trade. An expenditure of $5,000 [illegible] annum for the next five years [illegible] would restore to us our proportion of the [illegible] ing-trade of the world, would be profitably [illegible] pended. The price of labor in Europe [illegible] much enhanced within the last few years [illegible] the cost of building and operating ocean [illegible] ers in the United States is not so much [illegible] than in Europe, that I believe the time [illegible] arrived for Congress to take this subject [illegible] serious consideration.

DEPARTMENT OF JUSTICE.

Detailed statements of the [illegible] through the Department of Justice will [illegible] nished by the report of the Attorney General [illegible] though these have been somewhat increased [illegible] the recent acts of Congress to enforce the [illegible] of citizens of the United States to [illegible] the several States of the Union, and to [illegible] the provisions of the Fourteenth Amendment [illegible] the Constitution of the United States, [illegible] amendments thereto, I cannot question [illegible] cessity and salutary effect of these enactments.

KU-KLUX.

Reckless and lawless men, I regret [illegible] have associated themselves together [illegible] localities, to deprive other citizens of [illegible] guaranteed them by the Constitution [illegible] United States, and to that end have com[illegible] deeds of violence, but the prevention [illegible] ishment of many of these persons have [illegible] greatly to the repression of such disorders [illegible] do not doubt that a great majority [illegible] people in all parts of the country [illegible] full enjoyment, by all classes of [illegible] sons, of these rights to which [illegible] are entitled under the Constitution [illegible] the laws, and to invoke the aid and influence [illegible] all good citizens to prevent [illegible] whose objects are by unlawful means to [illegible] fere with those rights. I look with [illegible] to the time, not far distant, when the [illegible] advantages of good order and peace will [illegible] an abandonment of all combinations [illegible] by the acts referred to, and when it will [illegible] necessary to carry on prosecutions or [illegible] punishments to protect citizens for [illegible] less doings of such combinations.

Applications have been made to me to [illegible] persons convicted of a violation of [illegible] upon the ground that clemency in such [illegible] would tend to tranquilize the public mind [illegible] to test the virtue of that policy [illegible] disposed, as far as my sense of [illegible] will permit, to give these applications a [illegible] consideration, but any action thereon is [illegible] construed as indicating any change in [illegible] mination to enforce with vigor such acts [illegible] as the conspiracies and combinations [illegible] named disturb the peace of the country [illegible] much to be regretted, and is regretted by [illegible] more than myself, that a necessity has [illegible] isted to execute the enforcement act [illegible] can desire more than I that the necessity [illegible] plying it may never again be demanded.

DEPARTMENT OF THE INTERIOR.

The Secretary of the Interior reports [illegible] tory improvement and progress in each [illegible] several bureaus under the control of the [illegible] Department. They are all in excellent [illegible] tion. The work, which in some of [illegible] some years has been in arrears, has been [illegible] down to a recent date, and in all the [illegible] business has been promptly despatched.

INDIANS.

The policy which was adopted at the [illegible] ing of the Administration, with regard [illegible] management of the Indians, has been as [illegible] ful as its most ardent friends [illegible] pated. within so short a time [illegible] reduced the expense of their management [illegible] creased their forages upon the white [illegible] ments, tended to give the largest opportunity [illegible] the extension of the great railways through [illegible] public domain, and the pushing of settlements [illegible] into the more remote districts of the [illegible] and at the same time improve the condition [illegible] the Indians. The policy will be maintained [illegible] out any change excepting such as further [illegible] ence may show to be necessary to render [illegible] efficient.

The subject of converting the so-called [illegible] dian Territory, south of Kansas, into a [illegible] the Indian, and erecting thereon a T[illegible] form of Government is of great importance [illegible] a complement of the existing Indian [illegible] The question of removal to the Territory [illegible] within the past year been presented to [illegible] the tribes resident upon other [illegible] portions of the public domain, and has [illegible] erally been received by them with favor [illegible] preliminary step to the organization [illegible] such a Territory, it will be [illegible] to confine the Indians now resident [illegible] farms of proper size, which could be [illegible] them in fee, the residue to be used for [illegible] tlement of other friendly Indians [illegible] be made in the immediate future [illegible] removal of as many peaceably-disposed [illegible] only to the Indian Territory as can be [illegible] properly, without disturbing the [illegible] those already there. There is no other [illegible] now available where a people who are [illegible] ing to acquire a knowledge of pastoral [illegible] cultural pursuits, can be as well accommodated [illegible] as upon the unoccupied lands in the Indian Territory.

A Territorial Government should [illegible] protect the Indians from the inroads of [illegible] a term of years, until they become [illegible] advanced in the arts of civilization to [illegible] own rights, and from the disposal of the [illegible] held by them from the same period.

PUBLIC LAND SALES.

During the last fiscal year there were [illegible] of out of the public lands 11,864,[illegible] quantity greater by 1,099,270 acres than [illegible] posed of the previous year. [illegible] amount, 137,032 acres were sold [illegible] 389,460 acres were located with [illegible] warrants; 4,671,332 acres were [illegible] for homesteads; 693,613 acres were [illegible] college scrip; 3,554,887 acres were [illegible] railroads; 465,347 acres were granted [illegible] roads; 714,255 were given to States [illegible] lands; and 5,760 acres were located [illegible] scrip.

The cash receipts, from all sources [illegible] Land Office, amounted to $3,218,100 [illegible] the same period, 22,016,608 acres of [illegible] lands were surveyed, which, added to [illegible] tity before surveyed, amounts to [illegible] acres, leaving 1,257,633,628 acres of [illegible] lands still unsurveyed.

The reports from the subordinate [illegible] Land Office contain interesting [illegible] tion in regard to their [illegible] tricts. They uniformly [illegible] fruitfulness of the soil during the [illegible] and the increased yield of all kinds [illegible] evince that in these States and Territories [illegible] mining is the principal business, [illegible] products have exceeded the local [illegible]

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... eral shipments have been made to distant points.

PATENTS.

During the year ending Sept. 30, 1872, there were issued from the Patent Office 13,626 patents, 233 extensions, and 556 certificates and registers of trade-marks. During the same time, 19,587 applications for patents, including reissues and designs, have been received, and 3,100 caveats filed. The fees received during the same period amounted to $700,959.86, and the total expenditures to $623,553.90, making the net receipts over the expenditures, $77,400.56.

Since 1836, 200,000 applications for patents have been filed, and about 134,000 patents issued, the office being conducted under the same laws and general organization as were adopted at the original inauguration, when only from 100 to 500 applications were made per annum. The Commissioner shows that the office has outgrown the original plan, and that a new organization has become necessary. This subject was presented to Congress in a special communication in February last, with my approval and the approval of the Secretary of the Interior, and the suggestions communicated were embraced in a bill that was reported to the House by the Committee on Patents at the last session. The subject of the reorganization of the Patent Office, as contemplated by the bill referred to, is of such importance to the industrial interests of the country that I commend it to the attention of Congress.

The Commissioner also treats the subject of the separation of the Patent Office from the Department of the Interior. This subject is also embraced in the bill heretofore referred to. The Commissioner complains of the want of room for the model gallery, and for the working force and necessary files of the office. It is impossible to transact the business of the office properly without more room in which to arrange the files and drawings, that must be consulted hourly, in the transaction of business. The whole of the Patent Office Building will soon be needed, if it is not already, for the accommodation of the business of the Patent Office.

PENSIONS.

The amount paid for pensions in the last fiscal year was $30,169,340, an amount larger by $3,708,438 than was paid during the preceding year. Of this amount, $2,313,409 were paid under the act of Congress of Feb. 17, 1871, to survivors of the war of 1812. The annual increase of pensions by the legislation of Congress has more than kept pace with the natural yearly losses from the rolls. The act of Congress of June 8, 1872, has added an estimated amount of $750,000 per annum to the rolls without increasing the number of pensioners. We cannot therefore look for any substantial decrease in the expenditures of this department for some time to come, or so long as Congress continues to change the dates of pension. The whole number of soldiers enlisted in the Rebellion was 2,688,523. The total number of claims for invalid pension is 176,500, being but 6 per cent of the whole number of enlisted men. The total number of claims on hand at the beginning of the year was 91,689; the number received during the year, 26,574. The number disposed of was 35,178, making a net gain of 1,264. The number of claims now on file is 79,985. On the 30th of June, 1872, there were on the rolls the names of 95,405 invalid military pensioners; 113,518 widows, orphans, and dependent relatives, making a total of 208,923 army pensioners. At the same time there were on the rolls the names of 1,449 navy pensioners, and 1,730 widows, orphans, and dependent relatives, making the whole number of naval pensioners 3,179. There have been received since the passage of the act to provide pensions for the survivors of the war of 1812, 36,551 applications prior to June 30, 1872. Of these there were allowed, during the last fiscal year, 20,126 claims. Four thousand eight hundred and forty-five were rejected during the year, leaving 11,580 claims pending at that date. The number of pensions of all classes granted during the last fiscal year was 33,838. During that period there dropped from the rolls, for various causes, 914 names, leaving a grand total of 232,229 pensions on the rolls on the 30th June, 1872.

It is thought that the claims for pensions on account of the war of 1812 will be disposed of by the 1st of May, 1873. It is estimated that $30,480,000 will be required for the pension service during the next fiscal year.

THE CENSUS.

The ninth census is about completed. Its completion is a subject of congratulation, inasmuch as the use to be made of the statistics therein contained depends very greatly on the promptitude of publication. The Secretary of the Interior recommends that a census be taken in 1875, which recommendation should receive the ready attention of Congress. The interval at present established between the Federal census is so long that the information obtained at the decimal periods as to the material condition, wants, and resources of the nation, is of little practical value after the expiration of the first half of that period. It would probably obviate the Constitutional provision regarding the decimal census, if a census taken in 1875 should be divested of its political character and no apportionment of Congressional representation be made under it. Such a census, coming, as it would, in the last year of the first century of our national existence, would furnish a noble monument of the progress of the United States during that century.

EDUCATION.

The rapidly increasing interest in education is a most encouraging feature in the current history of the country, and it is no doubt true that this is due, in a great measure to the efforts of the Bureau of Education. That office is continually receiving evidences which abundantly prove its efficiency from the various institutions of learning and education, of all kinds, throughout the country. The report of the Commissioner contains a vast amount of educational details of great interest. The bill now pending before Congress, providing for the appropriation of part of the proceeds of the sales of public lands for educational purposes to aid the States in the general education of their rising generation, is a measure of such great importance to our real progress, and is so unanimously approved by the leading friends of education, that I commend it to the favorable attention of Congress.

THE TERRITORIES.

Affairs in the Territories are generally satisfactory. The energy and business capacity of the pioneers, who are settling up the vast domains not yet incorporated into States, are keeping pace in internal improvements and civil government with the older communities, but one of them,

UTAH,

the condition of affairs unsatisfactory, except so far as the quiet of the citizen may be disturbed by real or imaginary danger of Indian hostilities. It has seemed to be the policy of the Legislature of Utah to evade all responsibility to the Government of the United States, and even to hold a position in hostility to it. I recommend a careful revision of the present laws of the Territory by Congress, and the enactment of such a law as the one proposed in Congress at its last session, for instance, or something similar to it, as will secure peace, the equality of all citizens before the law, and the ultimate extermination of polygamy.

DISTRICT OF COLUMBIA.

Since the establishment of a Territorial Government for the District of Columbia, the improvement of the condition of the City of Washington and surroundings, and the increased prosperity of the citizens, is observable to the most casual visitor. The nation being a large owner of property in this city, should bear with the citizens of the District its just share of the expense of these improvements. I recommend, therefore, an appropriation to reimburse the District for the work done by them along and in front of public grounds during the past year, and liberal appropriations, in order that the improvement and embellishment of the public buildings and grounds may keep pace with the improvements made by the Territorial authorities.

AGRICULTURE.

The report of the Commissioner of Agriculture gives a very full and interesting account of the several divisions of that Department, the horticultural, agricultural, statistical, entomological, and chemical, and the benefits conferred by each upon the agricultural interests of the country. The whole report is a complete history, in total of the workings of that Department in all its branches, showing the manner in which the farmer, merchant, and miner is informed, and the extent to which he is aided, in his pursuits. The Commissioner makes one recommendation, that measures be taken by Congress to protect and induce the planting of forests, and suggests that no part of the public lands should be disposed of without the condition that one-tenth of it be reserved in timber where it exists, and where it does not exist an inducement should be offered for planting it.

CENTENNIAL CELEBRATION.

In accordance with the terms of the act of Congress, approved March 3, 1871, providing for the celebration of the one hundredth anniversary of American Independence, a Commission has been organized, consisting of the two members from each of the States and Territories. The Commission has held two sessions, and has made satisfactory progress in the organization, and in the initiatory steps necessary for carrying out the provisions of the act, and for executing the provisions also of the act of June 1, 1872, creating a Centennial Board of Finance. A preliminary report of the progress has been received from the President of the Commission, and is herewith transmitted. It will be the duty of the Commission at your coming session to transmit a report of the progress made and to lay before you the details relating to the exhibition of American and foreign arts, products, and manufactures, which, by the term of the act, is to be held under the auspices of the Government of the United States in the City of Philadelphia in the year 1876. This celebration will be looked forward to by American citizens with great interest, as making a century of greater progress and prosperity than is recorded in the history of any other nation, and proving a further good purpose in bringing together on our soil people of all the commercial nations of the earth in a manner calculated to secure international good feeling.

CIVIL SERVICE.

An earnest desire has been felt to correct the abuses, which have grown up in the Civil Service of the country, through the defective method of appointments to office, which have been regarded too much as the reward of political services. Under the authority of Congress rules have been established to regulate the terms of office and the mode of appointments. It cannot be expected that any system of rule can be entirely effective, and prove a perfect remedy for the existing evils, till they have been thoroughly tested by actual practice, and amended according to the requirements of the service.

During my term of office it shall be my best endeavor to so apply the rules as to secure the greatest possible reform in the Civil Service of the Government, and it will require the direct action of Congress to render the enforcement of the system binding upon my successors, and I hope that the experience of the past year, together with appropriate legislation by Congress, may reach a satisfactory solution of this question, and secure to the public service, for all time, a practical method of obtaining faithful and efficient officers and employes.

U. S. GRANT.

EXECUTIVE MANSION, Dec. 2, 1872.

TREASURY REPORT.

TREASURY DEPARTMENT, Dec. 2, 1872.

SIR: Whatever degree of success has attended the administration of the Treasury Department during the year, is due largely to the ability and fidelity of the officers and clerks of the several Bureaus and Divisions. There have been some exceptions to the general good conduct of the working force, but the number of these will not be thought large when it is known that more than 3,000 persons are employed in Washington, of whom nearly 1,400 are constantly engaged in handling coin, notes, and money securities of the Government. Many of these persons are paid fair wages for the service rendered, but others, who fill places of great responsibility, are not by any means adequately compensated. Officers and clerks of known ability and established reputation are frequently drawn away by offers of better pay elsewhere. This competition will leave the business of the Department finally in the hands of the less valuable part of its officers. A sense of justice leads me to recommend an increase of the salaries of the Assistant Secretaries of the Treasury.

Since the last annual report, the business of negotiating the sale of $200,000,000 in 5 per cent bonds, and the redemption of $200,000,000 of 6 per cent 5-20 bonds has been completed, and the accounts have been settled by the accounting officers of the Treasury. Further negotiations of 5 per cent bonds will now be made upon the basis of the former negotiations. I think it expedient, as a means of giving an additional status to the bonds authorized by the Funding act of July 14, 1870, and additional security to the owners, that registered bonds of every issue shall be made convertible into coupon bonds at the will of the holder. When this privilege is granted, the desire to convert them will cease. The moneys received and recovered into the Treasury during the fiscal year ended June 30, 1872, were:

RECEIPTS.

From customs	$216,370,286.77
Sales of public lands	2,575,714.19
Internal revenue	130,642,177.52
Tax on National Bank circulation, &c.	6,523,396.39
Repayment of interest by Pacific Railroad Company	743,861.87
Customs, fines, &c.	1,136,442.34
Fees, consular, patent lands, &c.	2,284,095.92
Miscellaneous sources	4,412,254.71
Total ordinary receipts	$364,694,229.91
Premium on sales of coin	9,412,637.65
Total net receipts	$374,106,867.56
Balance in Treasury, June 30, 1871, including $1,822,835 received since from then unavailable sources	$109,935,705.59
Total available cash	$484,042,573.15

EXPENDITURES.

The net expenditures, by warrant, for the same period were:

For civil expenses	$16,187,059.40
Foreign intercourse	1,839,364.14
Indians	7,061,728.82
Pensions	28,533,427.60
Military establishments, including fortifications, river and harbor improvements, and arsenals	35,372,157.20
Naval establishment, including vessels and machinery and improvements at navy yards	21,249,809.99
Miscellaneous civil, including public buildings, lighthouses, etc., and collecting the revenue	42,958,329.08
Interest on the public debt	117,357,839.72
Total, exclusive of principal and premium on the public debt	$270,559,695.91
Premium on bonds purchased	$6,958,266.76
Redemption of the public debt	99,960,253.54
Total	$106,918,520.30
Total net disbursements	$377,478,216.21
Balance in Treasury June 30, 1869	106,564,356.94
Total	$484,042,573.15

REDUCTION OF THE DEBT.

From the foregoing statement, it appears that the net reduction of the principal of the debt, during the fiscal year ending June 30, 1872, was $99,960,253.54. The sources of the reduction are as follows:

Net ordinary receipts during the year	$364,694,229.91
Net ordinary expenditures, including interest on the public debt	270,559,695.91
Leaving a surplus revenue of	94,134,534.00
Add the amount received from premiums on the sales of gold in excess of the premiums paid on bonds purchased	2,454,370.89
Add the amount of the reduction of the cash balance at the close of the year, as compared with the same at the commencement of the year	3,371,348.60
Total	$99,960,253.54

This statement treats solely of the principal of the public debt. By the monthly statement of the public debt, which includes the principal, interest due and unpaid, and interest accrued to date, not due, and deducts the cash in Treasury, as ascertained on the day of publication. The reduction was $100,544,491.28. The source of this reduction is as follows:

Reduction in principal account	$99,960,003.54
Reduction in unpaid interest account	3,330,952.96
Total	$103,290,956.50
Reduction in cash on hand	2,746,465.22
Total	$100,544,491.28

A comparison of the reduction in the principal account, as shown by the above tables, discloses a difference of $250, occasioned by an error recently discovered, and which is fully explained in a note on Page 6 of the appendix to this report. On the basis of the last table, the statements show a reduction of the public debt from March 1, 1869, to the present time, as follows:

From March 1, 1869, to March 1, 1870	$87,134,782.84
March 1, 1870, to March 1, 1871	117,619,630.25
March 1, 1871, to March 1, 1872	94,895,348.94
March 1, 1872, to Nov. 1, 1872, 8 months	64,047,237.84
Total	$363,696,999.87

and a reduction in the annual interest of $24,187,851.

The receipts during the first quarter of the current fiscal year were:

Customs	$57,729,540.27
Sales of public lands	797,324.59
Internal revenue	34,169,047.23
Tax on circulation, etc., of National Banks	3,330,238.69
Repayments of interest by Pacific Railways	119,093.73
Customs, fines, etc.	1,103,787.30
Consular, patent, and other fees	479,306.13
Proceeds of Government property	336,801.88
Miscellaneous sources	1,346,257.47
Net ordinary receipts	$98,388,397.16
Premium on sales of coin	2,426,736.91
Total receipts	$100,815,134.07
Balance in the Treasury June 30, 1872, including $101,448 received since from then unavailable sources	106,565,371.42
Total available	$207,380,505.49

The expenditures during the same period were as follows:

For civil and miscellaneous expenses, including public buildings, lighthouses, and collecting the revenues	$18,299,891.28
Indians	3,037,343.83
Pensions	935,389.71
Military establishment, including fortifications, river and harbor improvements, and arsenals	12,876,982.41
Naval establishment, including vessels and machinery and improvements at navy yards	7,305,146.48
Interest on public debt, including Pacific Railway bonds	36,196,894.83
Total, exclusive of the principal and premium on public debt	$86,851,648.54
For premiums on purchased bonds	1,702,568.53
For net redemption of the public debt	16,932,132.72
Total	$186,347,072.50
Total net expenditures	105,486,355.79
Balance in the Treasury, Sept. 30, 1872	101,894,149.70
Total	$207,380,505.49

For the remaining three-quarters of the current fiscal year, it is estimated that the receipts will be:

From customs	$135,000,000
Sales of public lands	1,500,000
Internal revenue	73,000,000
Tax on national banks	3,000,000
Pacific railways	500,000
Customs, fines, etc.	800,000
Patent, and other fees	1,700,000
Sales of public property	600,000
Miscellaneous sources	1,400,000
Total	$218,500,000

For the same period it is estimated that the expenditures will be:

For civil expenses	$13,000,000
Foreign intercourse	900,000
Indians	4,000,000
Pensions	20,000,000
Military establishment	25,000,000
Naval establishment	13,500,000
Miscellaneous civil expenses	27,000,000
Interest on the public debt	71,000,000
Total	$173,700,000

This will leave $44,800,000 surplus revenue applicable to the redemption of the public debt.

The amount required for this purpose, under the Sinking Fund law, for the year, will be about $29,200,000.

ESTIMATES FOR 1873-4.

It is estimated that the receipts for the fiscal year ending June 30, 1874, will be:

RECEIPTS.

From customs	$200,000,000
Sales of public lands	30,000,000
Internal revenue	103,000,000
Tax on National Banks	6,500,000
Pacific Railways	900,000
Customs' fines, etc.	1,100,000
Consular, patent, and other fees	2,400,000
Sales of public property	1,500,000
Miscellaneous sources	2,200,000
Total	$320,300,000

The foregoing estimates are based upon the amount of revenue collected since the act of May and June, 1872, went into operation, but the imports have been large and considerable sums have been obtained by Internal Revenue officers on account of old taxes and claims, and hence it will be wise to leave the source of revenue undisturbed for the present session.

It is estimated that the expenditures for the same period will be:

EXPENDITURES.

Civil expenses	$18,000,000
Foreign intercourse	1,325,000
Indians	5,700,000
Pensions	30,500,000
Military establishments, and arsenals	36,000,000
Naval establishments, including vessels and improvements at navy yards	22,500,000
Miscellaneous civil expenses, including public buildings, lighthouses, and collecting the revenues	41,500,000
Interest on the public debt	98,000,000
Interest of Pacific Railway bonds	3,875,000
Sinking fund	29,200,000
Total	$286,600,000
Leaving the estimated surplus revenue	$33,700,000

EXECUTIVE REQUIREMENTS.

The estimates received from the several Executive Departments show that the following amount will be required for the same period:

Legislation	$2,973,274.40
Executive	17,129,361.50
Judicial	357,070.50
Foreign intercourse	1,326,753.00
Military	32,894,854.00
Naval	20,154,220.15
Indians	5,700,975.28
Pensions	30,500,000.00
Public Works	29,687,345.69
Postal deficiency	6,310,602.00
Postal subsidies	1,100,000.00
Miscellaneous	9,596,974.52
Permanent	16,293,163.49
Interest on public debt	98,000,000.00
Interest on Pacific Railway stocks	3,877,410.72
Sinking fund	29,191,369.28
Total	$308,323,256.27

REDUCTION OF TAXATION.

The reduction in taxation, since the close of the war, is estimated to have been:

In Internal Revenue, by the act of July 13, 1866	$65,000,000
By the act of March 2, 1867	40,000,000
By the act of Feb. 3, 1868	23,000,000
By the acts of March 31, 1868, and July 20, 1868	45,000,000
By the act of July 14, 1870	55,000,000
By the act of June 6, 1872	20,651,000
Total of Internal Revenue	248,651,000
IN CUSTOMS.	
By the act of July 14, 1870	29,526,419
By the acts of May 11, 1872, and June 6, 1872	31,172,761
Total of customs	60,699,171
Total reduction	309,350,171

SINKING FUND.

Since the institution of the sinking fund in 1869 and in accordance with act of Feb. 25, 1862, there has been purchased on this account up to and including June 30, 1872, $99,397,600 in bonds of the various issues known as 5-20s, at a net cost, in gold, of $94,097,242.82. In addition to these purchases for sinking funds, bonds have been purchased to the amount of $173,237,950, at a net cost, in currency, of $195,008,288.53, or an estimated cost, in gold, of $163,376,054.35. The cost of these bonds, estimated in gold, has varied from 82.21 per 100 to 99.99 per 100; the most recent purchase being at the rate of 98.66 per 100. The average cost in gold of the whole amount of the purchases up to and including the last day of September was 94.64 per 100. In this connection, I would call attention to the various tables accompanying this report, which furnish elaborate details of the money operations and accounts of the Government.

OUR CARRYING TRADE.

The condition of our carrying trade with foreign countries is always a subject of interest, and at the present moment is one of solicitude. The imports and exports of the United States, excluding gold and silver, amounted to $1,070,641,163, for the fiscal year ending June 30, 1872, and of this vast trade only 28¼ per cent was in American vessels. In the year 1860 nearly 71 per cent of our foreign commerce was in American ships, but in 1864 it had fallen to 46 per cent, in 1868 to 44 per cent, and in 1871 to less than 30 per cent. The earnings of vessels engaged in the foreign carrying trade probably exceed $100,000,000 a year, of which less than one-third is earned under our own flag.

The acts of Congress allowing a drawback on foreign articles used in the construction of American vessels have given encouragement to shipbuilding, but I am of opinion that the measure is entirely inadequate. When we consider that nearly three-fourths of the foreign commerce of the country is under foreign flags, it is plain that there can be no considerable and speedy change unless the Government shall act at once and in a liberal and comprehensive spirit.

The rise in the price of iron, and the advance in the wages of labor in England during the past year, favor the Government and people of the United States; but this advantage, due to national causes, should not lead us to trust the future to the force of those causes, but should induce us rather to act at once and with vigor. It may happen that we cannot regain the control of the direct trade between Europe and the United States, but there is an immense field to be occupied upon the Pacific Ocean, and in the South Atlantic. England controls the markets of the world by controlling the channels of communication.

I am convinced that a wonderful impetus will be given to the agricultural and manufacturing interests of the country by the increase of our commercial marine. Merchants in distant countries must purchase goods at points with which they have frequent and regular communication, and when such communication exists with one country only, the cost of merchandise becomes unimportant, as there are no means of comparison nor is there opportunity for the advantages of competition. Hence a great producing country can afford to establish and maintain lines of steamships upon the ocean as the indirect benefits will much exceed the cost.

OUR FOREIGN COMMERCE.

The details of our trade with foreign countries, as represented by the returns of the Statistical Bureau, are also unsatisfactory. From these returns it appears that the imports of merchandise for the fiscal year ending June 30, 1872, were $626,595,077, and the exports estimated in gold were $444,046,086, showing a balance against the country of $182,548,991. This balance is in some degree apparent, rather than real. On the 30th of June, 1871, the value of goods remaining in warehouse was $68,324,659, while on the 30th of June, 1872, it was $122,211,266, showing an excess at the close of the last fiscal year of $43,886,607. Deducting this excess we have a balance based upon the actual consumption of the country of $128,662,384. From this a further reduction should be made of $68,133,845, being the excess of exports over the imports of gold. After these deductions, there still remains an adverse balance of $62,528,539.

The adverse balance has been met, probably, by freight on merchandise carried in American vessels, profits on exports made on account of American merchants and shippers, the sale of bonds abroad and investments in the United States by the inhabitants of other countries.

The exports of merchandise for the year 1872 were $13,298,933 less than for the year 1871. The exports of wheat, flour, raw cotton, cotton manufactures, gold and silver, fire-arms, manufactures of leather, illuminating oil and beef, fell off $82,066,325; while there was a gain of $68,767,392 in the exports of corn, furs, hides, skins, bacon, hams, lard, leaf tobacco, manufactures of iron, wood, leather, and many minor articles. There was an increase of exports in every branch of manufactures except cotton, leather, and firearms.

The decrease of exports in wheat and wheat flour was $12,000,000; raw cotton, $37,000,000; manufactured cotton, $1,250,000; gold and silver, $11,600,000; firearms, $12,000,000; manufactures of leather, $600,000; illuminating oils, $3,600,000; and beef, $2,000,000.

The statistics of imports show an increase of $700,000 in coffee; $18,000,000 in sugar; nearly $6,000,000 in tea; nearly $3,000,000 in tin plates; more than $17,000,000 in raw wool; $20,000,000 in pig iron; $10,000,000 in manufactures of iron; $5,000,000 in manufactures of cotton; $4,000,000 in manufactures of silk, and about $7,040,000 in manufactures of wool. The statistics are not presented as affording a basis for legislation, but rather because they are exceptional in character, and not likely to be repeated.

THE MINT.

During the last year thorough examinations have been made at the Mint at Philadelphia, and of the Branch Mints at San Francisco and Carson City, and exhaustive reports on the condition of each, and also upon several questions of a general character connected with the mint service, were made by Dr. Lindeman and Professor Torry, and are to be printed for the use of the Department and Congress. From these reports it appears that the service is in a satisfactory condition.

In the last ten years the commercial value of silver has depreciated about 3 per cent as compared with gold, and its use as currency has been discontinued by Germany and some other countries. The financial condition of the United States has prevented the use of silver as currency for more than ten years, and I am of the opinion that, upon grounds of public policy, no attempt should be made to introduce it, but that the coinage should be limited to commercial purposes and designed exclusively for commercial uses with other nations.

The intrinsic value of a metallic currency should correspond to its commercial value, or the metal should be used only for the coinage of tokens redeemable by the Government at their nominal value. As the depreciation of silver is likely to continue, it is impossible to issue coin redeemable in gold without ultimate loss to the Government, for, when the difference become considerable, holders will present the silver for redemption and leave it in the hands of the Government to be disposed of subsequently.

It is a loss if the policy should be adopted of issuing silver coin irredeemable, but whose intrinsic value should correspond to gold. The time must come when the country would suffer from the presence of a depreciated silver currency not redeemable by Government, nor current in the channels of trade. Tokens of base coin, except for small denominations, are less convenient than paper, and are subject to many other serious objections.

MUTILATED CURRENCY.

The provision made by the Treasury Department for the redemption of mutilated paper money is much more ample than formerly.

I think it practicable, through the Post Office Department, to make an arrangement by which the whole country shall be supplied with fresh issues of fractional currency. Therefore, in renewing the recommendations heretofore made for the passage of the Mint bill, I suggest such alterations as will prohibit the coinage of silver for circulation in this country; but that authority be given for the coinage of a silver dollar that shall be as valuable as the Mexican dollar, and to be furnished at its actual cost. The Mexican dollar is used generally in trade with China, and is now sold at a premium of about 8 per cent over the actual expense of coining. As the production of silver is rapidly increasing, such a coinage will at once furnish a market for the raw material, and facilitate commerce between the United States and China.

It is no exaggeration to say that a necessity exists for a new issue of National Bank notes. The reason for such issue is given in my last annual report.

TREASURY RELIEF.

I take this occasion to call the attention of Congress to a communication made by me to the House of Representatives on the 22d day of March, 1872 (Ex. Doc. 283, 42d Congress, 2d session), in which I recommended the enactment of a law for the relief of the Treasury from responsibility on account of Seth Johnson and Frederick A. Marder, formerly clerks in this office, and also for the correction of certain discrepancies in the public accounts, amounting to $40,635, and that the books of the Department may be made to conform to the facts.

STAMP EMBEZZLEMENT.

An examination of the office of the Assistant Treasurer, at New York, made in September and October last, disclosed a defalcation of the stamp division in charge of James J. Johnson, of $1,851.72. The report of the Committee explains the course of proceeding by which Johnson was able to embezzle the amount of money. The report further represents that Mr. Hillhouse, the Assistant Treasurer, cannot be charged properly with any neglect of duty. In this opinion I concur. The business of keeping and selling stamps was imposed upon the several Assistant Treasurers by virtue of the authority invested upon the Secretary of the Treasury, in the 6th section of the act, Aug. 6, 1846, but by the terms of that act it was not competent for the Treasury Department to allow the Assistant Treasurer at New York compensation for the labor and responsibility of the stamp division, although the commissions which would have been payable to him at the rate allowed to private parties by the 161st section of the act of 1864, amount to more than $500,000. The circumstances of this case are such as justify me in recommending the passage of a law by which Mr. Hillhouse shall be relieved from responsibility in the matter of the defalcation of Johnson.

TREASURY BUILDING.

The report of the Supervising Architect of the Treasury furnishes a concise statement of the cost and conditions of the public buildings in charge of this Department. Large sums of money will be needed for the buildings already begun or authorized, and it is respectfully advised that, beyond the erection of pavilion hospitals, and a building for the accommodation of the Bureau of Engraving and Printing, and the storage of the books and papers of this Department, no new works be authorized at the present session of Congress.

The business of the office of the Supervising Architect of the Treasury is fully equal to the force employed therein. The necessary appropriations are not so large as to justify Congress in refusing all applications during the present session.

The destruction of the buildings on the easterly side of the new Post Office in the City of Boston furnishes an opportunity that ought not to be lost for the purchase of the remainder of the square.

An act approved June 18, 1872, authorized and directed the Secretary of the Treasury to purchase a lot of ground in Philadelphia for the accommodation of the new Post Office and United States Court, and to erect a building thereon, the cost of whole not to exceed the sum of $1,500,000. Under this act and following the usages of the Department, there was appointed a commission of citizens of Philadelphia, who were authorized to receive proposals for the sale to the Government of a suitable lot of land. The report of the Commission has been submitted to the Department, from which it appears that the lot thought to be most desirable situated on the corner of Chestnut and Ninth streets can be purchased at a cost of $925,233.33. It also appears that the cost of a sufficient quantity of land to make the site of the present office available would exceed half a million dollars. Accepting the conclusions of the Commission as final in reference to the

[*Continued on the Eighth Page.*]

MARKETS BY TELEGRAPH.

New York Financial News.

NEW YORK, Dec. 2.—Money loaned as high as 3 1-32, and closed at 7@7 1-34.

Sterling was strong at 108¾@108¾ for long, and 110 @110¼ for short, sight.

Gold opened at 112⅞, advanced to 113, and closed steady at 112⅞@113. Clearings, $28,000,000. Treasury disbursements, $26,000.

Governments firm.

State bonds quiet and steady.

Stocks opened firm, and advanced during the early part of the day ⅛@4⅛ per cent viz., 4¼ on Pacific Mail, 2¼ on Northwestern common, 1½ on Erie, and ¼@1 per cent on the remainder of the list. The market was weak in the evening from the activity in money, and closed heavy, with the loss of the whole improvement, except in the case of Pacific Mail, Erie, and Northwestern, which were quiet and steady.

It is announced that the last rail is laid on the extension of the Burlington, Cedar Rapids & Minnesota Railroad to the Iowa River, south of Iowa City.

GOVERNMENT BONDS.

Sterling, 108¾.			
Coupons, '81	116⅞	Coupons, '67	116
5-20s of '62	113	Coupons, '68	115¾
Coupons, '64	113	New 5s	109⅞
Coupons, '65	113¼	10-40s	108⅞
Coupons, '65 (new)	115⅛	Currency 6s	112

STATE BONDS.

Missouris	94½	Virginias, old	48
Tennessees, old	76½	North Carolinas, old	35
Tennessees, new	76	North Carolinas, new	21
Virginias, new	52		

STOCKS.

Canton	106	St. Paul pfd	76⅞
W. U. Tel.	76½	Wabash	69⅞
Quicksilver	47⅛	Wabash pfd	80
Adams Express	92⅞	Fort Wayne	92⅞
Wells Fargo	88	Terre Haute	14
American Express	71⅞	Terre Haute pfd	35
United States Ex.	77	Chicago & Alton	110
Pacific Mail	87½	C. & A. pfd	112
New York Central	95⅞	O. & M.	46⅞
Erie	53	C., C. & C.	39
Erie pfd	73	C., B. & Q.	135
Harlem	113½	Lake Shore	93⅞
Harlem pfd	125	Indiana Central	33⅞
Michigan Central	115⅛	Illinois Central	127⅞
Pittsburgh	87⅞	Un. Pacific stocks	36⅞
Northwestern	87⅞	U. P. bonds	89
N. W. pfd	90⅞	Cen. Pacific bonds	101
Rock Island	111⅞	Del., Lac & W.	95⅞
N. J. Cen.	103	B., H. & Erie	7⅞
St. Paul	54⅞		

Foreign Markets.

LIVERPOOL, Dec. 2—11 a. m.—Flour, 30s. Wheat—Winter, 11s 10d; spring, 11s@11s 9d; white, 12s 3d@12s 6d; club, 13s@13s 3d. Corn, 28s 9d@29s. Pork, 56s. Lard, 39s 3d.

LIVERPOOL, Dec. 2—1:30 p. m.—Breadstuffs quiet, steady, and unchanged.

LIVERPOOL, Dec. 2—5 p. m.—Unchanged.

LONDON, Dec. 2—5 p. m.—Consols—Money, 92⅞@92⅞; account, 91⅞@91⅞; 5-20s of '65, 91⅞; do '67, 94; 10-40s, 88⅞; new 5s, 88⅞. Erie, 42.

FRANKFORT, Dec. 2.—5-20s of '62, 96⅞.

PARIS, Dec. 2.—Rentes, 52f 92c.

LIVERPOOL, Dec. 2.—Cotton quiet. Middling upland, 9⅞@10d; New Orleans, 10⅛d. Sales—12,000 bales speculative, and export 2,000 bales.

Breadstuffs quiet and steady. Red winter wheat, 11s10d. Flour—30s. Corn—28s9d@29s.

Beef—New, 95s; Cumberland middles, new, 42s; short ribs, 42s.

New York Live Stock Market.

NEW YORK, Dec. 2.—The weather is soft, and dressed meats and poultry are abundant and forced on sale at low prices, injuring the live stock market.

CATTLE—Receipts, 7,530, of which 5,300 are on sale to-day, 151 cars at Communipaw, 104 at Hundredth street, and 50 at Weehawken. Quality very poor, and the market for such ½c lower. There were 1,600 Texans to-day, and lots of steers still poorer. The few good droves were in quick demand at 13@14c, and a few single arrivals at 15c, but the most common to fair natives went at 9½@12c, with Texans largely at 8@8½c, prime going at 9c. One lot 4 cwt Texan cows sold at $30.00 each. Seven cars Texan steers, 5 cwt, 8½c; 5 cars fat Cherokee, 6 cwt, 10¼c; 5 cars poor Illinois, 6 cwt., 10@11c; 3 cars fat, 7¾ cwt Ohio, 14@14½c; 6 cars Illinois, 6 cwt., 9½@10c; 7 cars, 7¼ cwt coarse, 11c; 5 cars, 7¾ cwt., 12@13½c. There were 3,000 less than last week.

SHEEP—Receipts 32,300 or 4,000 more than last week. On sale to-day 10,300, and market bad. Stock is holding over or selling for lower prices and very little doing. Sheep sell at 4@6½c, and lambs, 5½@7½c. One car 81 lbs Canada lambs, 7½c; car 67 lbs, 6½c. Lambs were largely sold with sheep. One car 46 lbs Canada sheep, 6c; car 118 lbs fat, 5½c; car 83 lbs State, 6c; car 84 lbs Ohio, 5½c; car 76 lbs, 4½c.

HOGS—Receipts 64,100 against 45,500 last week. On sale to-day 144 cars, and market very dull after an advance on Saturday.

Live sold to-day at 4½@4¾c, but too high for 5½@6½c; for dressed, those of 190 lbs selling at 6c. At the close the market was weak, with unfavorable weather.

New York Dry Goods Market.

NEW YORK, Dec. 2.—Business was generally quiet to-day. The market for cotton goods continues very strong, and stocks are light in first hands. Brown and bleached cottons, ticks, denims, and Canton flannels are very firm, and have an upward tendency. Utica, Nonpareil, and Fruit of the Loom bleached shirtings are up to 18c and 16½c, respectively. Woolens are fairly active, with more demand for spring weights of cassimeres. Flannels and blankets are selling well at the advance, and are in light supply. Foreign goods are quiet, but a very good demand exists for fine qualities of black mohair lustres and alpacas.

Philadelphia Cattle Market.

PHILADELPHIA, Dec. 2.—BEEVES—Dull; prices rather firmer. Extra Pennsylvania and Western steers, $7.50@8.00; fair to good, $6.00@7.25; common, $4.00@5.50, per cwt.

SHEEP—Without decided change; 5½@6c per lb.

HOGS—Dull and lower; $6.00@6.50. Sales—3,600 beeves; 12,000 sheep; 5,000 hogs.

The Produce Markets.

NEW YORK.

NEW YORK, Dec. 2.—COTTON—Higher; middling uplands, 19½c.

BREADSTUFFS—Flour quiet; receipts, 24,000 brls; prices unchanged. Rye flour steady. Cornmeal unchanged. Wheat steady, with moderate export demand; receipts, 220,000 bu; No. 3 Chicago spring, $1.45@1.47; No. 2 do, $1.49@1.51; No. 2 Milwaukee, $1.53@1.54; winter red, $1.65. Rye firm. Barley and malt unchanged. Corn in moderate export demand; receipts, 131,000 bu; steamer Western mixed, 63@63½c; sail do, 64@64½c. Oats firmer; receipts, 14,000 bu; old mixed Western, 52½@54½c; new, 50@52½c; white, 52@55c.

EGGS, HAY, AND HOPS—Unchanged.

GROCERIES—Coffee in fair demand; Rio, 15@18½c. Sugar dull and unchanged. Molasses quiet at 68@34c. Rice steady at 13@13½c.

PETROLEUM—Crude, 13@13¼c; refined, 27¼c.

TURPENTINE—Quiet at 63c.

PROVISIONS—Pork quiet; mess, $15.75@16.00; prime mess, $15.25. Beef dull and unchanged. Cut meats quiet and unchanged. Middles lower; long clear for this week's delivery, 7¼c; long clear, seller December, 7½c; short clear do, 7½c. Lard weak; No. 1 to prime steam, 7¾@8½c; kettle, 8½@8¾c.

BUTTER AND CHEESE—Unchanged.

WHISKEY—Firm; fair inquiry at 93@93½c.

BUFFALO.

BUFFALO, Dec. 2.—Flour quiet. Wheat—Spring neglected; winter wanted. Corn firm; sales 254,000 bu No. 2 Western at 49c. Oats firm but dull; sales 10,000 bu No. 2 Toledo at 40c. Barley steady.

PHILADELPHIA.

PHILADELPHIA, Dec. 2.—BREADSTUFFS—Flour in better demand; Minnesota, $7.75@8.75; Iowa and Wisconsin, $7.25@7.75. Wheat in fair demand; Western red, $1.72@1.83; amber, $1.85@1.95; white, $1.95@2.10. Rye steady at 85@90c. Corn very quiet; yellow, 64@65c; mixed Western, 64c. Oats in fair demand; white, 46@48c; mixed, 43@45c.

CRUDE PETROLEUM—19c; refined, 26c.

WHISKEY—Firm at 96c.

CINCINNATI.

CINCINNATI, Dec. 2.—BREADSTUFFS—Flour firm and unchanged. Wheat firm; red, $1.52@1.59. Corn in firm demand and higher; old, 44c; new, 41c. Rye steady at 63@70c. Oats unchanged.

OILS—Unchanged.

PROVISIONS—Pork dull and nominal. Lard steady; steam, 7¼c; kettle, 7¾c. Bulk meats and bacon dull and unchanged for old; new offered at 8@8½c for clear rib and clear sides for next week. Green meats dull; shoulders, 4¼@4½c; sides, 5c; hams, 6½@7½c, according to weight.

HOGS—Dull and unchanged at $3.65@3.80; most sales at $3.75.

WHISKEY—Firm at 88c.

ST. LOUIS.

ST. LOUIS, Dec. 2.—BREADSTUFFS—Flour, scarcely anything doing, owing to the meagre shipping facilities. Wheat dull; only sample lots sold. Corn dull and drooping; No. 2 mixed, 28c, on East St. Louis track; white mixed do, 30c. Oats firmer; No. 2, 24@24½c, on East St. Louis track; 25@25½c in elevator. Barley quiet. Rye firm, but slow; No. 2, 62c, delivered.

WHISKEY—Steady at 90c.

PROVISIONS—Pork nominally lower; offered at $12.50, without buyers. Bulk meats weak and easier for jobbing and order lots; shoulders, packed, 4¼@4½c; clear rib, 6¼@6½c; clear, 6½c. Bacon and lard nominal.

HOGS—Dull at $3.75@4.00; receipts, 10,660.

CATTLE—Unchanged.

MILWAUKEE.

MILWAUKEE, Dec. 2.—BREADSTUFFS—Flour quiet and unchanged. Wheat steady; No. 1, $1.14½; No. 2, $1.09½. Oats steady; No. 2, 28c. Corn steady; No. 2, 39c. Rye firm; No. 1, 60c. Barley dull and a shade lower; No. 2, 64c.

RECEIPTS—Flour, 4,000 brls; wheat, 14,000 bu; barley, 1,000 bu.

SHIPMENTS—Flour, 3,000 brls, wheat, 400 bu; barley, none.

CLEVELAND.

CLEVELAND, Dec. 2.—BREADSTUFFS—Flour firm. Wheat—Nothing done. Corn steady; high mixed, 47c; low mixed, 46c; new, shelled, 44c. Oats dull; No. 1, 37c; No. 2, 35c.

PETROLEUM—In demand and unchanged.

OSWEGO.

OSWEGO, Dec. 2.—GRAIN—Wheat firm and quiet; No. 1 Milwaukee spring, $1.60; extra white Michigan, $2.05. Corn dull at 58c. Barley quiet.

TOLEDO.

TOLEDO, Dec. 2.—BREADSTUFFS.—Flour steady. Wheat in fair demand and higher; amber Michigan, cash and Dec., $1.48@1.50; No. 1 red, $1.60@1.61½; No. 2 do, $1.47½@1.49½. Corn quiet; high mixed, 38@38½c; new, 36½c; low mixed new, 36c. Oats a shade better; No. 1, 37½c; No. 2, 32½@33½c.

CLOVER SEED—$5.10@5.25.

DRESSED HOGS—$4.00.

RECEIPTS—Flour, 800 brls; wheat, 7,000 bu; corn, 70,000 bu; oats, 3,000 bu.

SHIPMENTS—Flour, 1,000 brls; wheat, 5,000 bu; corn, 7,000 bu; oats, 11,000 bu.

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GENERAL NOTICES.

Public Notice

Is hereby given that the Annual Meeting of the Stockholders of the Lake Forest Hotel and Mfg. Company, for the purpose of electing a Board of Directors and transacting such other business as may be brought before it, will be held on Wednesday, the eleventh (11th) day of December, 1872, at the hour of 11 o'clock a. m., at the office of said Company, No. 130 LaSalle-st. (basement), in the city of Chicago.

ALEX. WHITE, Secretary.

Chicago, Dec. 2, 1872.

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Thursday Evening—Fourth and last Concert but two.

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Admission to matinee, $1. Secured seats, $2.

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Monday evening, Dec. 2—Every Night, and WEDNESDAY and SATURDAY MATINEES, the beautiful and accomplished Cantatrice and Comedienne,

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PERSONS HOLDING TICKETS

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TO THE PUBLIC.

The connection of the undersigned with the business of making Abstracts and Opinions of Title to Real Estate in this city and county closes this day.

The firm of HANDY, SIMMONS & CO., our successors in said business, we desire to commend as in every way thoroughly reliable and competent to conduct the same.

The Abstract Books belonging to us will continue to be kept up under our personal supervision.

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On and after Monday, Dec. 2, we will receive orders for

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to Lands in Cook County, at our office, 297, 299, and 299 1-2 West Randolph-st.

Orders will be taken only on blank forms furnished at our office.

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Ed. Aschermann & Co. beg to inform their customers and the public that Mr. F. W. HARBWIG, formerly agent for them in this city, is no longer connected with their firm. Mr. ADOPH LEGNITZ is now our sole representative in this city, and all business transactions, payments, &c., will hereafter be conducted by him only.

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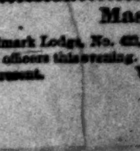

FAIRBANKS' STANDARD SCALES OF ALL SIZES. FAIRBANKS, MORSE & CO 66 WEST WASHINGTON-ST.

MEETINGS.

Masonic.

Landmark Lodge, No. 422, A. F. & A. M. Annual election of officers this evening. All members are requested to be present.

W. L. CULVER, Secretary.

MONEY AND COMMERCE.

MONETARY.

MONDAY EVENING, Dec. 2.

The month opens with a more favorable aspect in local finances, in the fact that the large shipments of hogs, cattle, and beef from here Eastward have made a perceptible increase in the amount of New York Exchange on the market which has become large enough now to reduce the price of sales between banks to par to-day, against 75c per $1,000 premium as the average rate last week.

The increase of exchange shows that the marketable wealth of the country is being turned into one kind of currency or circulating capital that is as available for the liquidation of indebtedness as specie or greenbacks. If this tendency should continue for a week or two, the effect will undoubtedly be to alleviate the stringency here to some extent. On the other hand, we have the testimony of a number of bankers, to the effect that the collection of a large class of miscellaneous obligations falling due at the banks is becoming more unsatisfactory. A large proportion of this paper, though not made directly for the purchase of real estate, is in one way or another connected with it and arises partly out of real estate transactions. A good many of our prominent real estate speculators appear to have assumed obligations with a perfect recklessness during the last six months, and, though they all have ample security, begin to find themselves hard up for ready money.

The demand for currency to send into the country in connection with the movement of hogs and cattle is quite active, though the amount coming back is also increasing. For the present, the movements in and out are about equal, but it now seems probable that, with the present tendency to market hogs and cattle, the balance will soon be in favor of the city.

In the telegraphic notice from Washington this morning of that part of the Comptroller's report relating to the condition of the Chicago National Banks immediately after the fire of October, 1871, it was said: "It was thought that *three* were so seriously crippled that they would be unable to resume." The word *three*, italicized above, was a mistake in the telegraphic message, and, as will be seen by the report printed in another part of the paper, was intended to be "they."

THE NATIONAL BANK CIRCULATION.

The Boston *Advertiser*, in an article on the subject of Congressional Committees, and their power to control legislation, says of the National Banks:

These institutions are in annual receipt of $12,000,000 to $14,000,000 of the public money as clear profit, after all deductions,—that is, more than six times the saving effected by Mr. Boutwell's foreign negotiations.

We doubt the *Advertiser's* ability to count up one-sixth of twelve millions as "the saving effect of Mr. Boutwell's foreign negotiations;" but its estimate of the annual profit of the National Banks on their circulation is probably about correct. Seing that the Government is paying a bonus of twelve millions to the National Banks to furnish paper money circulation, is it not reasonable that the banks would put out all the paper money that could possibly be used when they were getting so large a profit on it? This being the case, how is it that the $54,000,000 of additional National Bank circulation authorized in July, 1870, have not even yet been issued, and that it is only within the past month that applications have at last been made for nearly all of it? It will, of course, be answered that the States to which much of it was apportioned had not the capital to take it before, and this only proves that there was not, and is not, any such requirement for more currency as Mr. Boutwell and other inflationists have claimed; if there was, capital would have been found to put out the currency, for the sake of the bonus, no matter where was the nominal place of its issue.

WHERE THE MONEY HAS GONE.

A correspondent, whose letter has been on our table for several days, writes us in regard to the general stringency which prevails in at least a majority of the commercial cities of the United States, as follows: "I am a regular reader of your paper, and specially your monetary articles, but have been unable from my reading to form any satisfactory theory as to where the money has gone to, if it is not in bank somewhere. This perplexity is aggravated by information that certain legal-tenders have been reissued. "When State banks failed, the money was destroyed. Now that we have no such thing as a broken bank, so far as its circulating notes are concerned, where is the money that did the business of the past five years successfully?"

We presume, of course, that by the term "money" our correspondent does not mean merely that form of it in bank notes, Treasury notes, and coin. There is more of this afloat now than there was five years ago, and even one year ago. In our opinion the present stringency is more the result of a cessation in the expansion of credit which has been in progress for five or six years. Within eighteen months there has been a large loss of property owned in this country: By the Chicago fire, by the loss of the Arctic fleet, by the Boston fire, and we may also add, by the over-production and consequent depreciation of the aggregate value of the corn crop of the West, by which the farmers have lost a large part of their labor invested in it. These circumstances have to a considerable extent diminished the basis of credit. Instead of borrowing to start new enterprises, men have been obliged to borrow to keep old ones from failing altogether. Consequently the increase of new enterprises, which has stimulated every department of trade for the last five or six years, has received a check. But the most powerful influence to check new enterprises has been the cessation, within a few months, of the influx of foreign capital to build railroads in the West. A week ago we printed some approximate estimates to show that, for the last seven years, the amount of capital received from Europe for American railroad bonds has been doubling up every year since 1865; that the amount of railroad bonds marketed in Europe during that year must have been from $15,000,000 to $20,000,000; that the amount marketed each year since, has been increasing until for the year 1871 alone it must have aggregated nearly $100,000,000. But the payment of the French indemnity made England fear that she was about to lose her supremacy in the finances of the world. The Bank of England consequently increased its minimum rate of discount from 3½ per cent on the first of October to 7 per cent in the middle of November, with the view of preventing the outgo of capital from London. Concurrent with this, came the default of several new Western railroads to pay the interest on their bonds held in Europe, creating the impression that many of the projected ones would be even more unprofitable ventures. The result of this has been that a good many new railroads on which some money subscribed in this country has been already expended, have been unable to negotiate more bonds, their enterprises have been brought to a stand-still, and the money already invested in half-completed projects, is necessarily a bad investment for that reason. We do not argue that this tendency of events will increase, or that it will produce any more of a crisis than it has already. The marketing of the hogs and cattle of the West and the cotton of the South, together with the probable revival of confidence in England, may set everything in motion again in a few months; but such, at least, is the present situation, and these are the causes of the present stringency. In reply, therefore, to the query of our correspondent, "Where has the money gone?" we would say: Some of it has been destroyed, as above mentioned; a good deal more of it is held temporarily out the market on account of a loss of confidence.

REAL ESTATE.

The following instruments were filed for record on Monday, Dec. 2:

CITY PROPERTY.

Davlin st, 154 ft n of West Lake, w f, 25x164 ft, dated Nov. 1; consideration, $725.

Lot 18, in Block 10 of D. S. Lee's Addition, dated Sept. 27; consideration, $850.

Washington avenue, between Robey and Lincoln sts, s f, 25 ft to alley, dated Nov. 27; consideration, $1,200.

The premises No. 21 Kramer st, dated Dec. 2; consideration, $1,300.

Lot 15, in Block 2 of Sherman's e ½ w ½ of s e ¼ Sec 28, 39, 14, dated Oct. 26; consideration, $1,500.

Same with other property, dated Nov. 29; consideration, $7,500.

Wentworth av, bet Thirtieth and Thirty-first sts, w f, 25 ft to alley, dated Nov. 8; consideration, $1,500.

West Twenty-first st, n e corner of Hoyne st, s f, 25x125 ft, dated Nov. 21; consideration, $1,000.

Shober st, 146 ft n of North av, e f, 25x124¾ ft, dated Nov. 30; consideration, $700.

Lot 19, in Block 34, Ogden's Addition, dated Nov. 26; consideration, $1,800.

Lots 30 and 31 (except s 50 ft) of Dobbins' Lots 10 to 15, of Block 4, Ellis' First Addition, dated Oct. 1; consideration, $16,500.

Wallace st, bet Thirty-seventh and Thirty-eighth sts, e f, 24 ft to alley, dated Nov. 11; consideration, $575.

Lot 41, in Rawson's Blocks 11 to 13, of w ½ n e ¼ Sec 14, 39, 13, dated Nov. 10; consideration, $550.

Lots 19 to 22, in Block 4, of Harding's w ½ n e ¼ Sec 11, 39, 13, dated Nov. 18; consideration, $2,000.

Lot 30, in Diller's Block 59, Sec 7, 39, 14, with buildings, dated Nov. 18; consideration, $3,000.

Lot 9, in Block 8, in Grant's Addition, dated Aug. 13; consideration, $600.

Lots 25 and 26, in n ½ Block 47, Sec 19, 39, 14, dated Nov. 1; consideration, $1,650.

Lot 37, in Block 11, of e ½ Sec 31, 39, 14, dated Nov. 22; consideration, $600.

Lot 36, in same, dated Nov. 26; consideration, $600.

Lots 27 to 31, in Block 8, in Hodge's Subdivision of Sherman's s e ¼ Sec 28, 39, 14, dated Nov. 19; consideration, $5,000.

West Erie st, bet Hoyne and Robey sts, s f, Lot 32, dated Oct. 16; consideration, $1,000.

West Twenty-second st, 100 ft w of Lincoln st, s f, 25x126¼ ft, dated Nov. 2; consideration, $1,200.

Lot 1, in Furple's Subdivision, in s w ¼ Sec 11, 39, 13, dated Nov. 2; consideration, $1,200.

Lot 38, in Cochran's part of Block 21, Sec 7, 39, 14, dated Sept. 6; consideration, $1,000.

SOUTH OF CITY LIMITS.

Calumet av, n w cor Forty-ninth st, e f, 175 ft, running to Prairie av, dated Oct. 23; consideration, $24,500.

Blocks 7 and 16, in Packer's n e ¼ of s w ¼ Sec 5, 38, 14, dated Nov. 25; consideration, $36,000.

Lots 1 and 2, in Block 2, of McChesney's Subdivision of n w ¼ Sec 9, 38, 14, dated Nov. 4; consideration, $2,400.

Langley st, s e corner of Thirty-ninth st, 75x120 ft, dated Nov. 27; consideration, $6,375.

South 64 ft of Lot 11, in Block 4, in Assessor's Lots, 17 to 21, in Sec 16, 38, 14, dated Oct. 28; consideration, $2,350.

COMMERCIAL.

The following were the receipts and shipments of the leading articles of produce in this city during the past forty-eight hours, and for the corresponding date a year ago:

MONDAY EVENING, Dec. 2.

	RECEIPTS. 1872.	RECEIPTS. 1871.	SHIPMENTS. 1872.	SHIPMENTS. 1871.
Flour, brls	10,312	2,078	6,662	3,551
Wheat, bu	66,040	22,795	19,324	3,057
Corn, bu	36,250	110,220	4,661	63,010
Oats, bu	26,755	21,610	11,099	8,089
Rye, bu	4,147	3,233	11,593	737
Barley, bu	32,790	9,045	9,102	31,489
Grass seed, lbs	36,700	9,410	7,177	78,200
Flax seed, lbs	40,800	......	85,900	......
Broom corn, lbs	84,300	27,800	780	13,000
Cured meats, lbs	138,339	59,326	1104,962	1236,451
Beef, brls	......	65	150	625
Pork, brls	......	......	1,358	824
Lard, lbs	9,400	88,140	439,478	752,008
Tallow, lbs	19,450	31,390	......	30,531
Butter, lbs	67,455	22,230	30,000	42,454
Dressed hogs, No.	236	297	......	573
Live hogs, No.	12,030	22,609	1,961	3,174
Cattle, No.	546	303	773	712
Sheep, No.	112	......	186	388
Hides, lbs	177,405	96,205	103,513	252,811
Highwines, brls	187	571	565	545
Wool, lbs	165,272	88,306	165,420	460,105
Potatoes, bu	135	3,515	......	......
Lumber, m feet	1,548	1,767	1,492	897
Shingle, m	1,574	3,200	850	252
Lath, m	100	......	80	31
Salt, brls	2,674	500	3,064	1,266

Withdrawn from store on Saturday for city consumption, 1,390 bu wheat; 2,670 bu corn; 1,965 bu oats; 803 bu rye; 9,442 bu barley.

The following grain has been inspected into store this morning, up to 10 o'clock: 77 cars wheat; 158 cars corn; 55 cars oats; 5¼ cars rye; 27¼ cars barley. Total, 323 cars, or 135,000 bu.

The following shows the distribution of the breadstuffs shipped out from this port during the past week:

Shipped	Flour.	Wheat.	Corn.	Oats.	Barley.
By rail	27,189	67,679	46,835	65,355	58,818
To Buffalo	300	97,000	7,700	....	76,700
To Erie	....	25,000	....	....	....
To Ogd'sb'gh	100	....	12,650	....	....
To Huron	381	19,543	....	31,667	....
Other U.S.p's	519	7,000	3,500	27,166	....
To Canada	....	....	16,189	....	....
Totals	28,389	216,222	80,274	124,188	135,818

Also by rail 4,456 bu rye.

It was proposed to-day to change the time of notice of motion to change the rules of the Board of Trade from thirty days to ten; and the usual thirty days' grace will be given to members to consider this motion. The reason seems to be that a hiatus of thirty days often allows the occasion to pass by, to which the change in the rule is intended to apply.

The recommendation of the Directors that Munn & Scott be expelled from membership, will come up to-day before the full Board of Trade for action. The proceedings will commence at half-past 3 o'clock.

THE MARKETS.

The leading produce markets were dull to-day, at about the same prices as on Saturday, except that wheat was a shade higher and provisions lower. There was very little disposition to buy, in any department, the general feeling being that we shall have plenty of produce to buy from before long, and that there is no need for hurry. Prices would seem to be low enough on most articles, but the experience of many years shows that the markets are always sluggish during December, and stiffen up after the holidays. This year is probably no exception to the rule. The receipts to-day were not large, except as compared with the shipments. The season of navigation is now closed, and henceforth all shipments will be by rail. Dry goods dealers reported fair activity in the demand for staple and fancy articles, and firmness prevailed in all departments of the market. Some brands of bleached and brown cottons were advanced a trifle, but prices were generally steady. The fish and dried fruit markets were without decided change, either in tone or in values, trade ruling quiet at former quotations. Hay continues scarce, and is still advancing. Hides were firm, under a good local and Eastern demand, at the advance noted last week. Dealers in leather report continued activity in the demand, and prices remain firm all around. Oils, paints, tobacco, and wood ruled quiet as previously quoted. The butter market exhibited a rather better tone. Slightly increased inquiry was reported, both on local and shipping accounts, and prices were more generally sustained. Choice dairy continues scarce and finds ready buyers at 24@28c. Bagging was inactive at 35½c for Stark; 25c for Ludlow, and at 34c for Lewiston. In the market for groceries there were no new developments deserving of mention. The weak feeling in sugars noticeable for some time past is still prevalent, and quotations were again lowered an ⅛c on all descriptions except cut loaf and "hards," which, being scarce, remain firm. Molasses and the poorer qualities of syrups are easy, but choice and fancy remain firm at the quotations. Coffees were in good request at full former rates. Stocks are light and Rios are tending higher. Rice, soaps, and spices remain quiet. The usual amount of trading in lumber was transacted to-day, prices remaining without essential change. Building materials were in light demand at former prices. Cooperage was in moderate request. We quote pork barrels at $1.50@1.55; lard tierces at $1.75@1.85. Iron and steel were rather quiet. We continue to quote at 5 3-10 rates, although prices are being shaded somewhat. Metals and tinners' stock were in moderate request. Tin plate has declined $1.00 all around, and pig tin 3c, caused by a decline in New York. Salt was fairly active and firm. Iron was in moderate demand at previous quotations. Hops were in fair demand and firmer; prime Wisconsin now quoted at 35c. Seeds were quiet; prime timothy quotable at $3.10@3.15, with few lots offered; dealers are holding it off the market for higher prices, $3.25 being asked for prime seed. Clover was quotable at $5.00@5.02½ for prime seed; flax at $1.60. Potatoes were in demand, and firm at 65@70c in car lots; great care should be taken in shipping to prevent freezing. Poultry was rather quiet; the receipts of choice were light, and common stock sold at irregular prices. Game was quiet and unsteady, with liberal offerings. Green fruits were in moderate local demand at previous prices.

Highwines were active and steady at Saturday's quotations, with a better demand, though there was no change in the tone of New York advices. Sales were reported of 500 brls at 88c per gallon.

Dressed hogs were lifeless, there being none offered on 'Change. Street quotations are understood to be about $4.75 per 100 lbs for choice lots.

Provisions were dull and weak all round. The large receipts of hogs, and the consequent weakness at the Stock Yards, caused buyers to hold off for lower prices, which holders were very loth to concede. Hence little was done; but the sales made showed a decline of 15@25c per brl on pork, ⅛c per lb on lard, and a corresponding reduction in meats. The fact seemed to be little relished by the packers. They have held off as much as possible in hopes of bottoming prices of hogs so that they can start fair, but find that the intense competition of other places has put down the prices of product to a point where Chicago packers must either sell without a profit or hold their stuff, or still further beat down the price of hogs, which are said to be higher here than at other points. So far the season is certainly the least satisfactory of any that has been experienced in several years past, as shown in the fact that we are behind in our packing, though the hog crop is larger than ever before. The market closed at the following range of prices: Mess pork—Old at $13.00; new pork, cash or seller the month at 12.00@12.25; do seller January, $11.90@12.00; do seller February, $12.00@12.15; do seller March, $12.25; do seller April, $12.25@12.37½; prime mess, $11.25@11.50. Lard, cash, 7½c for new, cash or seller December; do seller January, 7⅜c; do seller February, 7½c; do seller March 7⅝@7¾c. Sweet pickled hams, 8½@10½c, and green hams at 7@7½c seller November; 7⅝@7½c seller December or January. Green shoulders, 3½@3⅝c; do rough sides, 5c; do short ribs, 5½@5⅝c; do short clear, 5¾@6c; meats, 15 to 20 days in salt, quotable at 3½c for shoulders; 5⅞@6c for short ribs, and 6⅛c for short clear. Boxed shoulders, seller December, quoted at 4@4⅛c. English meats, for delivery in December and January, 6@6⅛c for Cumberlands; 6@6⅛c for short ribs, or long clear; 6⅛@6⅜c for short clear; 8½@8⅝c for long cut hams. Mess beef, $8.50@9.00; extra mess do, $9.50@10.00; beef hams, $28.50@30.00. City tallow, 8@8½c; grease quotable at 5¾@6½c. Sales were reported of 100 brls mess pork at $12.00; 50 tcs lard at 7⅞c; 2,510 tcs do (part seller last half) at 7⅛c; 250 tcs do seller January at 7⅜c; 50 boxes shoulders at 4½c; 20,000 lbs short ribs (light) at 6⅛c; 50 boxes do at 6⅛c; 250 boxes long clear, seller last week in January, at 6⅛c; 20,000 lbs short clear at 6⅛c; 8,000 boxes do at 6⅛c; 750 boxes do at 6⅛c; 20,000 lbs rough sides at 5c; 160,000 lbs and 2,000 pcs green hams at 7⅛c; 100,000 lbs and 5,000 pcs do (average 16 lbs) at 7c; 100 brls city butcher's tallow at 8c.

The total number of hogs reported slaughtered this season to date at Cincinnati is 146,000. The stock of pork in New York is 7,746 brls against 36,070 a year ago.

The following shows the way in which the prospect in provisions may be regarded from a packer's stand-point. H. Milward & Co. say:

The arrivals of live hogs this week have been the largest our market has ever seen in a corresponding space of time, stimulated, no doubt, by the high prices current at the close of last week. The resources of the country have been plainly exhibited, and there can be but little doubt in the minds of the packers that the farmers are prepared and able to swamp us with hogs, should present prices be maintained. The action of the packers seems inexplicable, taking into consideration the present state of our market, as compared with all the competing packing points. Cincinnati is buying her hogs at $3.75@4.00, gross, for the best. Louisville at about the same. St. Louis at $3.60@3.80. Kansas City at $3.50@3.70. Even so far East as Indianapolis, they are purchasing at $3.70@3.80, and at Delphi, Ind., at $3.50@3.75, while here a senseless booby has, within the past few days, forced up prices to $4.00@4.30 gross. The farmers, as usual, get all the possible profit, and our packers must rest content to see all the orders sent to other markets, because they can afford to sell cheaper than we can. Here the high prices we are paying for hogs, both for shipping and packing, must largely increase our receipts, but there is no reason why our packers should impoverish themselves to benefit the farmers. The stock of hogs in the country will be marketed sometime, and it makes but little difference to the trade whether they come forward early or late. The extent has been pretty generally ascertained, and it is well known that, without foreign assistance, which can only be secured liberally at very low prices, we cannot possibly use up our surplus packing. The crop can be brought out and packed just as well at $3.50 as at $4.50 gross. Even the lowest figure will give the farmers three times as much for their corn as they can make for it in any other way; so they will furnish it to their hogs with no niggard hand. It is the height of folly in the packers to risk impoverishing themselves for the benefit of the farmers.

The more general prospect is thus discussed by Kercheval & Son, of St. Louis, in a sentence so long that "it might as well be for life and have done with it:"

As has been for some time foreshadowed, the largest business has been in the extreme West and East,—the former for spring and summer use, and the latter for local supply,—while in the interior there is less doing, which will become more apparent as the season draws on, unless the interior and central packers should bid up above Western prices sufficiently to compensate drovers for the additional cost of a more expensive delivery, as do those of the East, which is hardly to be expected, as by the generally accepted "standard" cures a uniformity of prices, subject only to the variations of freights on products from their places of cure to those of consumption and export, has been quietly brought about, and as this does not exceed 10@12c per 100 lbs to either Eastern or Southern points, which are the great marts for cured provisions, the presumption is that packing will continue to fall off in the interior and increase in a corresponding degree at the West, if those occupying that position fully appreciate their vantage ground, and are willing to meet producers in a fair and liberal spirit—to pay them the comparative worth of hogs, as packers at Kansas City and other Western points have done to herdsmen from the Plains and Texas, in the disposition of their cattle, by which the packing of beef is passing from the interior to the West, and thereby building up a great home trade for Western farmers, not more to the general advantage of the country than their personal satisfaction in effecting sales of their property without the delay and depreciation consequent upon a long railroad trip.

Flour was rather less active, though in good demand, the offerings being light. Hence, holders were firm, though the market was quoted dull in New York. Stocks are small, and the country millers are sending but little forward, as their operations have been seriously interfered with by the epizootic. Shippers took hold in a moderate way. Buckwheat flour was easier, and bran lower, the latter being in better supply. Sales were reported of 100 brls white winter extras at $8.50; 125 brls do on private terms; 100 brls spring extras at $6.75; 300 brls do at $6.25; 225 brls do at $6.00; 400 brls do at $5.95; 100 brls do at $5.85; 100 brls do at $5.80; 175 brls do at $5.75; 400 brls do on private terms; 40 brls superfines at $3.75; 30 brls do at $3.50; 100 brls do at $3.00; 25 brls buckwheat flour at $8.00; 10 brls do at $7.75. Total, 2,230 brls. Also 20 tons bran at $13.00 on track; 150 brls corn meal on private terms; 10 tons middlings at $14.00 on track.

Wheat averaged about ⅝c higher than on Saturday, being reported firmer in New York; but was tame, and weak, there being very little demand, except for a few car lots of the lower grades for shipment, with a considerable discrimination against North Side houses, owing to the greater difficulty of loading cars there. The speculative demand was light, but holders were not particularly anxious to sell, professing to anticipate small receipts through the remainder of this month. The deliveries of wheat this morning, on the option of seller December, were light, and hence there was no wheat of consequence offered to-day, beyond the current receipts. Seller January was the principal option dealt in; it opened at $1.11¼, advanced to $1.11⅝, and declined to $1.10⅝ at the close. Seller the month sold at $1.09¾@1.10½, closing at the inside. No. 2 spring was steady at $1.09¾@1.10 till near the close, when it declined to $1.09⅝. No. 1 spring was $1.19@1.10; No. 3 do at 99c@$1.01; and rejected at 88@92½c according to location. Cash sales were reported of 800 bu No. 1 spring at $1.19; 3,600 bu do at $1.18; 44,200 bu No. 2 spring at $1.10; 10,000 bu do at at $1.09⅝; 9,600 bu No. 3 spring at $1.01; 15,600 bu do at $1.00; 2,400 bu do at 99½c; 1,600 bu do at 99c; 800 bu rejected spring at 92½c; 500 bu do at 92c; 800 bu do at 91c; 2,000 bu do at 88c. Total, 91,800 bu.

Corn was tame at Saturday's prices, with little disposition apparent either to buy or to sell, as what little interest was exhibited in grain was centered in wheat. The receipts were rather light for the season, reducing the volume of current offerings; but buyers held off in anticipation of plenty bye-and-bye, as it is now generally understood that the farmers think there is little hope in holding off for better prices, though they have to give 4 lbs of corn in the ear for one cent. Seller the month sold at 31@31⅛c, and seller January at 31⅛@31⅝c, both closing dull at the inside. Cash No. 2 closed at 31@31⅛c, and rejected at 29c. Cash sales were reported of 6,600 bu No. 2 at 31⅛c; 42,000 bu do at 31⅛c; 80,000 bu do at 31c; 3,200 bu rejected at 29c. Total, 131,800 bu.

Oats were in rather better request, and a shade firmer than on Saturday at the same range of prices, New York being reported stronger. The principal demand was, however, for car lots, there being very little desire to trade in options ever since the collapse of the oats corner now nearly six months ago. Seller the month sold at 24@24⅛c; seller January at 24⅛@24⅜c, and seller February at 24⅝@25c. All closed steady, with holders at the outside. Cash sales were reported of 1,200 bu No. 2 (special house) at 25c; 5,000 bu do at 24⅝c; 13,600 bu do at 24⅛c; 10,600 bu do at 24⅛c; 1,800 bu do at 24c; 600 bu rejected at 23c; 4,200 bu do at 22c. Total, 37,000 bu.

Rye was very quiet, but again ½c higher, under light receipts, the inspection of this morning being only 5¼ cars. Sales were limited to 1,600 bu No. 2, at 57½c.

Barley was less active, but decidedly firmer, averaging ½c higher, under a better demand for car lots, much of which was wanted for shipment. No. 1 opened at 61½c, and advanced to 61½c for fresh receipts. Seller the month was firm at 61½c bid, and seller January at 62c. No. 3 was in better demand at 53c for Armour, Dole & Co.'s receipts; 51c for Central, and intermediate prices in other houses. The market closed firm. Cash sales were reported of 2,000 bu No. 2 at 62c; 9,800 bu do at 61½c; 1,200 bu do at 61¼c; 1,200 bu do at 61c; 2,400 bu No. 3 at 53c; 1,600 bu do at 52½c; 4,000 bu do at 51½c; 2,000 bu do at 51c; 800 bu rejected at 43c; 400 bu do at 42½c; 400 bu do at 42c; 400 bu, by sample, at 80c, on track; 400 bu do at 78c; 400 bu do at 64c. Total, 27,000 bu.

LATEST.

In the afternoon wheat was moderately active, and averaged ⅛@¼c lower than at the close of 'Change. No. 2 spring sold at $1.09½@1.09⅝ seller the month, and $1.10⅝@1.10⅞ seller January, both closing at the outside. Corn was quiet and ½c lower, at 30⅞@31c seller the month, and 31⅝@31½c seller January, both closing at the inside. Lake freights and provisions were inactive.

CHICAGO DAILY MARKET.

MONDAY EVENING, Dec. 2.

ALCOHOL—Was in some request at $1.76@1.82 for 94 per cent proof.

BROOM CORN—The inquiry for broom corn was fair, especially for the choicer grades. The market is very liberally supplied, and comparatively speaking, stocks move slowly. Prices are unchanged and rule as follows: No. 1 hurl, 5½@6c per lb; No. 2 do, 5@5½c; No. 1 stalk braid, 5@6c; No. 2 do, 4@4½c; No. 3 do, 3½4c; inside green, 4@4½c; do red tip, 3c; do pale and red, 2@3½c.

BEANS—Were in light request, mainly among local dealers, with abundant offerings. We continue to quote: Navies at $2.00@2.25; fair, $1.75; common to medium, $1.00@1.50.

BUILDING MATERIALS—The demand is light and restricted mainly to lime, cement, stucco, &c. Brick is very quiet at $11.00@12.00 per m. We continue to quote: Stucco, $2.50@2.75; New York stucco, casing, $3.75@4.00; superfine do, $4.00@4.50; Rosendale cement, $2.25@2.50; Utica cement, $2.00 per brl; Louisville cement, $2.00; Akron cement, $2.00; marble dust, $3.25@3.50; lime, in bulk, $1.00@1.25; lime (in brls) $1.35@1.50 per brl; white sand, per brl, $2.75@3.00; plastering hair, per bu, 40@45c; fire brick, per 1,000, $40.00@90.00; building brick (common), $11.00@15.00; country brick, $13.00@14.00; Woodstock pressed range at $25.00@40.00; St. Louis Hydraulic pressed, $48.00, del; Milwaukee, $33.00, del; Racine, $30.00 del; Hinsdale, $25.00, del; fire clay, per brl, $4.00@5.00. The following is the list of prices per box of 50 feet, for domestic window glass, from which a reduction of 40 per cent is made by dealers:

	First quality.	Double strength.
6x 8 to 7x 9	$ 5.75	$ 8.00
7x10 to 8x10	6.50	9.00
8x11 to 10x13	7.00	9.50
8x14 to 10x15	7.50	11.00
10x14 to 12x18	8.00	13.00
14x16 to 16x20	8.50	15.00
14x22 to 16x24	9.00	17.00
18x22 to 18x30	10.50	18.50
20x28 to 24x30	12.00	20.00
26x28 to 24x36	13.00	22.00
26x34 to 26x40	14.00	24.00
28x38 to 28x44	15.00	26.00
28x46 to 30x48	16.00	27.00
30x50 to 32x52	....	28.00
32x54 to 34x56	....	34.00
34x58 to 34x60	....	38.00
36x60 to 40x60	....	40.00

BUTTER—The demand for butter was reported fair all around, to-day, and the market seemed firmer for most descriptions. Shippers were doing something in low grades, and local bakers also made liberal purchases, but the principal inquiries was for good to choice qualities, at prices ranging from 20@28c. Stocks are not large. We quote: Strictly choice dairy, 24@28c; medium to good, 18@22c; inferior to common, 8@17c.

BAGGING—A very quiet feeling still prevails in this market, and the quoted prices are only indifferently sustained. Grain bags were almost entirely neglected, the demand being mainly confined to burlaps and gunnies. Following are the prices current: Stark, 35½c; Ludlow, 35c; Lewiston, 34c; American, 32c; Otter Creek, 33½c; burlap bags, 4 and 5 bu, 20@22½c; gunnies, single, 18@19c; do, double, 28c; wool sacks, 68@70c.

CANNED GOODS—The movement in this class of goods was only fair to-day, and values underwent no perceptible change, the market ruling firm at the subjoined quotations:

Peaches, 2 lb	$2.00@2.25
Peaches, 3 lb	3.25@3.50
Pears, 2 lb	2.25@2.50
Plums, damsons, 2 lb	2.25@2.50
Plums, green gages, 2 lb	3.00@3.50
Quinces, 2 lb	2.75@3.00
Strawberries, 2 lb	2.50@2.75
Raspberries	2.00@2.50
Blackberries, 2 lb	2.00@2.25
Gooseberries, 2 lb	2.25@2.50
Tomatoes, 2 lb	2.15@2.25
Tomatoes, 3 lb	2.60@2.70
Corn, Elgin	2.80@3.00
Corn, Benton Harbor	2.65@2.85
Corn, Yarmouth	2.90@3.00
Peas, 2 lb	3.00@3.50
Lima beans, 2 lb	2.60@2.70
Succotash, 2 lb	2.75
Lobster, 2 lb	3.50
Lobster, 1 lb	2.35@2.50
Oysters, 2 lb	2.25
Oysters, 1lb	1.50

CHEESE—Dealers reported a little more inquiry for this staple to-day, but trade was devoid of animation after all, and was lacking in strength. There is not a large supply in store, but the stock is quite equal to present requirements. We repeat our quotations of Saturday, as follows: New York factory, 14@15c; Ohio factory, 12@13½c; Western factory, 12@13½c.

COAL—The stocks of Lackawanna and Erie coal, and in fact of nearly all descriptions, are unusually light for this season of the year, and prices are held with great firmness. A few dealers are now refusing to fill orders at present quotations, and it is probable that a general advance will early be established. We repeat our list as follows: Lehigh, lump, $13.00; Lehigh, prepared, $13.00; Lackawanna, $12.00; Erie, $10.50@11.00; Briar Hill, $10.50@11.00; Walnut Hill, $11.00; Blossburg, $10.00; Cherry Mine, $10.00; Hocking Valley, $10.00; Cannel Coal, $9.50; Indiana block, $9.00@9.50; Minonk, $8.00; Wilmington, $7.00.

COOPERAGE—There was a moderate inquiry for pork barrels and lard tierces, with abundant offerings. Other descriptions were in the usual demand. We continue to quote: Pork barrels, $1.50@1.55; lard tierces, $1.75@1.85; whiskey barrels, $2.15@2.25; flour barrels, 50@55c; rough staves $18.00@20.00; bucket staves, $28.00@30.00; flour staves, $8.00@9.00; circle flour headings, 6@8c ⅌ set; flour hoop poles, $14.00@17.00 ⅌ m; pork and tierce poles, $35.00@40.00 ⅌ m; whiskey barrel staves, $23.00@27.00 ⅌ m.

CALIFORNIA FRUITS—Were in fair demand at previous prices. We continue to quote: East Bruerre pears at $4.00@4.50; winter Nellis do at $3.50@4.00; Beurre Gris at $4.00; Muscat grapes at 15@20c; Rein di Nice, 25@30c.

EGGS—Strictly fresh eggs are in tolerably fair demand and firm at 27@28c; pickled and limed are very plenty and dull at 18@20c. Sales include 15 cases at 28c; 1,800 doz at 27c; 150 pkgs at 26c; 100 doz pickled at 20c.

FEATHERS—Continue to meet with a fair inquiry on both local and interior account. The supply is fair. We continue to quote: Prime live geese at 65@68c from first hands; 72@5c jobbing price for assorted feathers; mixed at 25@60c, according to quality; chicken, 6@8c. Sales include 400 lbs good live geese at 65c; 200 lbs chicken at 8c.

FISH—Trade continues quiet, with only slight fluctuation in values. A few orders only were received from the interior, the chief inquiry coming from local retailers. The following quotations are furnished: No. 1 whitefish, $5.00@5.25; No. 2, $4.75@5.00; No. 1, trout, $4.50@4.75; No. 1 shore mackerel, $11.00@11.25; No. 1 bay, $8.50@8.75; No. 2 bay mackerel, $7.00@7.25; No. 1, shore, kits, $1.85@1.90; bank codfish, $5.50@5.75; George's cod-fish, $6.50@6.75; box herring, No. 1, 30@33c; box herring, scaled, 42@45c; Columbia River salmon, new, half brls, $10.00@10.25.

FRUITS AND NUTS—The demand for fruits exhibits a steady increase, and both foreign and domestic varieties are more firmly held than a fortnight ago. Raspberries and pitted cherries are scarce, and are tending higher. Otherwise stocks are fair. We quote: Dates, 8@9c; figs, new, 16@17c; figs, box, 18@19c; Turkey prunes, 1872, 10½@11c; do 1871, 8@9c; raisins, old $2.35@2.40; raisins, new, $2.70@2.80; blackberries new, 11@11½c; raspberries, 43@44c; pitted cherries, 25@28c; peaches, pared, 21@23c; peaches halves, 6@7c; do, mixed, 6@6½c; Zante currants, 1872, 9½@10c; do 1871, 8@8½c; apples, Southern, new, 5@6½c; do Western, 7@7½c; Michigan, 8@9c. NUTS—Filberts, 14@15c; almonds, Terragona, 22c; English walnuts, 14@15c; Naples walnuts, 19@20; Brazils, 14@15c; Pecans, 10@12½c; African peanuts, 7c; Wilmington peanuts, 8c; Tennessee peanuts, 8c.

GAME—Was in plentiful supply, but met with little inquiry. Prices were about the same as Saturday's. Venison was quite plenty, and dull at 9@11c. Prairie chickens quotable at $4.25@4.75. Sales include 15 doz prairie chickens at $4.75; 30 doz do at $4.25@4.50; 2 doz patridges at $4.50; 15 doz quail at $1.65; 60 doz do at $1.50; 18 doz Mallard ducks at $3.00; 3 doz do at $2.75; 8 doz rabbits at $1.75.

GROCERIES—Under this head few changes were noted. The weakness that has characterized the sugar market for some time past continues, and we to-day note a further reduction of an ⅛c in all grades except cut loaf and hard. The demand continues small, while stocks, both of raw and refined, are liberal. Coffees were again quoted strong, and in Rio's an early advance is looked for. Syrups are in good request, and for the better grades there is a firm feeling, but medium and common are easy. Spices, soaps, starch, and other goods in the list rule quiet and easy. We now quote:

BICARB. SODA—7¼@8c.

COFFEES—Mocha, 30c; O. G. Java, 25@26c; Java No. 2, 23½@24c; fancy Rio, 23@23½c; choice do, 22⅝@22⅞c; prime Rio, 21¾@22c; good do, 20½@21c; common do, 19½@20c; Singapore, 23@23½c; Costa Rica, 23@23½c; Maricaibo, 22½@23c.

CANDLES—Star, full weight, 20½@21c; Stearine, 15½@16½c.

RICE—Patna, 8@8½c; Rangoon, 7¼@7⅝c; Carolina, 8½@8¾c.

SUGARS—Patent cut loaf, 14¼@14½c; crushed, powdered and granulated, 13½@13⅝c; A, standard, 12⅝@12⅞c; do No. 2, 12¼@12⅝c; B, 12⅛@12⅜c; extra C, 12⅛@12¼c; C, No. 2, 12@12⅛c; yellow C, 11⅝@11⅞c; choice brown, 11⅝@11⅞c; prime do, 10⅝@11½c; fair do, 10½@10⅝c; choice molasses sugar, 11⅝@11⅞c; fair do, 9½@9¾c.

SYRUPS—Diamond drips, $1.30@1.35; silver drips, extra fine, 72@75c; good sugar-house syrup, 45@50c; extra do, 50@55c; New Orleans molasses, choice, 80@85c; do prime, 72@75c; do common, 65@70c; Porto Rico molasses, choice, 55@60c; common molasses, 30@40c.

SPICES—Allspice, 17@18c; cloves, 28@30c; cassia, 40@42c; pepper, 22½@23½c; nutmegs, $1.25@1.30; ginger, pure, 28@30c; do No. 1, 20@25c; do No. 2, 15@20c.

SOAPS—French mottled, 6½@6⅞c; German mottled, 7¼@7½c; Golden West, 6@6½c; White Lily, 6½@6¾c; White Rose, 6½@6⅝c; brown Windsor, 4½@4¾c; palm, 6@6½c; Savon Imperial, 6½@6¾c.

STARCH—Gloss, 9½@10c; corn, 9@11c; laundry, 6@7c; common, 5@6c.

GREEN FRUITS—Were in moderate request at previous prices. Apples are quite firm at $3.00@3.75 per brl in small lots from store. Cranberries were in usual demand at $10.00@11.50 per brl. Sales inclusive 75 brls choice apples at $3.50@4.00; 60 brls at $3.00@3.25; 30 brls do at $2.50; 40 brls frozen at $1.50@2.00; 42 brls cultivated cranberries at $10.50@11.50; 3 brls choice at $12.00; 5 brls wild at $8.50.

HAY—A further advance of 50c was established to-day, receipts falling short of the demand. Very little arrived on wagon, and receipts by rail were also meagre. Dealers were offering the following prices: ON TRACK—Timothy, beater pressed $17.00@18.00; timothy loose pressed, $16.00@17.00; prairie, pressed, $12.00@13.00; ON WAGON—Timothy, loose, $16.00@17.00; prairie, loose, $10.00@11.50. For delivery of pressed, $1.00@1.50, according to distance.

HIDES—Continue active, and are firmly held at the advanced prices recently established. We quote: Green butchers, 8c; green salted, cured, heavy, 11c; do light, 12c; part cured, 9½@10½c; green calf, 11@17½; green city veal kip, prime, 14c; dry salted, 16@17c; dry kip, 22c; dry calf, 26c; dry flint, 12@20c; deacons, 40@45c; damaged, ⅓@⅔c; all other damaged stock, two-thirds price; branded, 10 per cent off.

HOPS—Are in very fair demand and firmer. A good many orders are being received from country brewers, and the local trade is good, although brewers are not laying in any large supplies. Prices are ranging higher for Western. We now quote prime Wisconsin at 35c; common to medium, 20@30c.

HONEY—Choice white comb meets with quick sale whenever offered, but dark and strained honey is very quiet and plenty. We continue to quote: Eastern prime at 35@37c; white Western, 28@30c; inferior and strained, 18@20c.

IRON AND STEEL—Trade was rather quiet. Prices are being shaded in some instances, but as a rule continue to range as follows:

Horse-shoe iron	6	5-10@ 7c		
Bar iron	5	3-10@ 5	4-10	rates
Heavy band	5	3-10@ 5	6-10	rates
Light band	5	3-10@ 5	7-10	rates
Hoop	5	3-10@ 6	6-10	rates
Oval	5	3-10@ 5	8-10	rates
Round and square	5	3-10@ 5	8-10	rates
Half oval and half round	5	3-10@ 5	8-10	rates
Russian iron, perfect	22			
Russian iron, No. 1, stained	21			
Sheet iron	7½	@		rates
Norway nail rods	9	@ 9½		rates
German plow steel	11	@12½		rates
Bessemer plow steel	10¾	@13¾		rates
Spring and plow steel	11	@12		rates

LEATHER—The leather market continues satisfactorily active, and is strong, both for imported and for domestic stock. In the latter it will be seen a substantial advance has taken place since our last report. The *Shoe and Leather Reporter* says of the New York market: "During the past week there has been great activity in the leather market, the sales having reached a figure larger than ever before known in the Swamp. The prompt action of the Boston merchants to replenish their burned-out stock is, in part, the cause, but there has, also, been an unusually active demand from manufacturers in all sections of the country, especially at the East, to secure their supplies before the anticipated rise in prices, which, it was supposed, would be the result of the large destruction in Boston. It is doubted by many in the trade that prices will remain at present quotations for any length of time, the general impression being that there are ample stocks remaining at the tanneries, which have been kept back through various causes, and that the market will be amply supplied within thirty days. On the other hand it is argued that there cannot be more than barely sufficient for the requirements of the trade, as the number of hides put in this year was much below the average, and then, to further limit the supply, there is the shipment of large quantities to Europe during the past six months." The following is the range of prices in this market:

HEMLOCK.

City harness	$ 38@ 08
Country harness	36@ 34
Line, city, ⅌ lb	41@ 43
Kip, ⅌ lb	60@ 1.10
Kip, veals	80@ 1.15
City upper, No. 1, ⅌ ft	27@ 28
City upper, No. 2, ⅌ ft	25@ 27
Country upper, No. 1	24@ 26
Collar, ⅌ ft	20@ 23
Calf, city	1.20@ 1.40
Calf, country	1.10@ 1.25
Rough upper, light	35@ 38
Rough upper, heavy	32@ 35
Rough upper, damaged	27@ 30
Buffalo slaughter sole, best	35@ 37
Buffalo slaughter sole, No. 1	33@ 35
"B. A." sole	30@ 32

OAK.

Calf	1.25@ 1.45
Kip, No. 1, medium	85@ 1.10
Kip, No. 2, heavy	75@ 80
Harness	40@ 45
French calf, Jodot	65.00@85.00
French calf, Lemoine	60.00@80.00
French calf, 24 to 26 lbs	1.80@ 2.35
French calf, 26 to 30 lbs	1.70@ 2.20
French calf, 30 to 36 lbs	1.35@ 2.00
French calf, 50 to 100 lbs	1.00@ 1.50

LEMONS—There is a light but steady inquiry for lemons, with ample offerings. Oranges are in fair request. We quote: French lemons at $7.50@8.00; Malagas, $7.00@7.50; Louisiana oranges, $10.00@14.00 per brl.

METALS AND TINNERS' STOCK—Tin plate has declined $1.00 all round, and pig tin 3c, caused by a corresponding decline in New York. The market abroad is rather firm than otherwise, and the cost of importation is the same. The disposition among Eastern dealers to realize appears to be the main reason for the reduction. We now quote:

TIN PLATE—IC, 10x14, $14.00; do, 12x12, $14.50; do, 14x20, $15.00; do, roofing, IC, $13.50.

PIG TIN—Large, 40c; small, 41c; bar, 42c.

SHEET ZINC—Full casks, 11½c; half casks, 11¾c; less quantity, 12c; slab, 9c.

SHEET IRON—No. 24, 7½c rates.

COPPER—Copper bottoms, 48c; braziers, over 12 lbs, 47c; tinned copper, 43c.

WIRE—2 to 5, 8c; 6, 8, and 9, 10c; 10 to 11, 11c; 12, 12, 11½c; 13 and 14, 12½c; 15 and 16, 14c; 17, 15c; 18, 16c; 19, 19c; 20, 20c; full bundle, 15 per cent discount; fence wire, 8c.

NAILS—Were moderately active and steady at former quotations: 10d per keg, $6.12½@6.25; 8d do, $6.37½@6.50; 6d do, $6.62½@6.75; 4d do, $6.87½@7.00; 3d do, $7.62½@7.75 do 3d, fine, $8.87½@9.00; 2d do, $9.37½@9.50; clinch, $8.50@8.62½, 12½ off to the trade.

NAVAL STORES—Were quiet and unchanged. We continue to quote:

Manilla rope, ⅌ lb	$ 18	@	19
Sisal rope, ⅌ lb	16	@	17
Hemp sash cord, ⅌ lb	20	@	23
Marline, ⅌ lb	20	@	23
Tarred rope, ⅌ lb	17	@	19
Oakum, ⅌ bale	5.00	@	6.25
Pitch, ⅌ brl	6.00	@	7.00
Tar, ⅌ brl	6.50	@	7.00

OILS—There was more inquiry for goods coming under this head than on the closing days of last week, but the movement was far from being active, and former prices were no more than sustained. We repeat our list as follows: Carbon, 27½@28c; extra lard oil, 73@75c; No. 1, 68@70c; No. 2, 65c; linseed, raw, 85c; do boiled, 90c; whale, 88c; sperm, $2.00@2.10; neats' foot oil, strictly pure, $1.10 do extra, $1.00; do No. 1, 90@95c; bank oil, 65c; straits, 70c; elephant oil, 95c; turpentine, 70c.

PAINTS, COLORS, AND PUTTY—Remain quiet and unchanged. We quote:

WHITE LEAD.

Strictly pure	$ 11.50
Fancy brands	10.50@11.00

ZINC.

Genuine Veille Montague	14.50
American	12.50
Snow white	11.00

COLORS.

Railroad colors	11.50
Rochelle ochre	4.00
English Ven. red	4.00
English orange mineral	15.00@16.00
English red lead	12.50
American red lead	11.50
Paris white	4.00
Whiting	2.50

PUTTY.

In bulk	3½c
In bladders	4 c

POTATOES—The supplies of choice varieties is light, and a very fair demand prevailed, with prices strong at 75@85c for peachblows in lots from store. Potatoes on track are quoted at 60@70c. Sales include 1 car choice at 75c, delivered; 150 bu choice peachblows from store at 85c; 85 bu do at 80c; 300 bu at 75c.

POULTRY—Was rather quiet, and prices were unsettled. The offerings were fair, but mostly common and poor stock. Turkeys quotable at 10@12½c; chickens $2.00@3.00. Sales include 1,500 lbs choice dressed turkeys at 12@12½c; 1,300 lbs do at 10@11c; 5 doz choice chickens at $3.50; 25 doz do at $3.00; 23 doz fair do at $2.25@2.75; 15 doz at $1.50@2.00; 25 doz at $1.00@1.25; 6 coops geese at $10.00; 2 coops do at $9.00; doz dressed do at $10.00; 8 doz dressed ducks at 4.00@4.50.

SALT—The usual demand prevailed at the prices quoted below: Onondaga, fine, $2.25; ordinary, coarse, $2.25; Saginaw, fine, $2.25; coarse Diamond C, $2.25; dairy, without bag, $3.00; do, with bags, $4.00; ground solar, $2.25; Ashton dairy, per bag, $5.00; ground alum, $2.50.

SASH, DOORS, AND BLINDS—Were in continued good demand, former prices being sustained. We quote:

FOUR PANEL DOORS, RAISED PANELS BOTH SIDES.

Thickness.	Size.	Price.
1 3-16	2x 6 by 6x 8	$2.90
1 3-16	2x 8 by 6x 8	2.90
1 3-8	2x 6 by 6x 6	2.75
1 3-8	2x 8 by 6x 8	3.00
1 3-16	2x10 by 6x10	3.25

DOORS—TWO PANEL.

3-16	2x6 by 6x6	2.25
1 3-16	2x8 by 6x8	2.50
1 3-8	2x6 by 6x6	2.35
1 3-8	2x8 by 6x8	2.60

OUTSIDE BLINDS.

Thickness.	Size.	Price.	Thickness.	Size.	Price.
1 3-16	8x10	$1.75	1 3-16	9x14	$2.30
1 3-16	9x12	2.05	1 3-16	10x15	2.50
1 3-16	10x12	2.05			

PLAIN RAIL SASH.

Size of glass.	Thickness.	Size of 12-light window.	Price per window.
8x10	1 3-16 in	2x 3¼ by 3x9⅛	40c
9x12	1 3-16 in	2x 7 by 4x6	57c
9x14	1 3-16 in	2x 7 by 5x2	64c
10x12	1 3-16 in	2x10 by 4x6	57c
10x14	1 3-16 in	2x10 by 5x2	64c
9x14	1 3-8 in	2x 7 by 5x2	80c
10x14	1 3-8 in	2x10 by 5x2	80c

SEEDS—Timothy was quiet at $3.10@3.15 for prime, and $2.75@3.00 for poor to fair. The amount offered is light, a good deal of seed being held off the market for higher prices. Clover was in some inquiry at $5.00@5.02½ for prime; mammoth sold at $5.50. Flax quotable at $1.55@1.60. Hungarian, 90c. Sales were reported of 7 bags timothy at $2.90; 31 bags do at $2.85; 2 bags do at $2.80; 144 bags prime clover at $5.02½; 59 sacks do at $5.00; 6 sacks fair at $4.90; 4 bags mammoth at $5.50; 150 bags Hungarian at 90c; 1 car flax on private terms.

TEAS—Were reported quiet, with prices generally easy, though without material decline. Following are the quotations: Hyson, common to fair, 50@55c; good, 65@75c; choice to extra, $1.00@1.20; superfine to fine old hyson, 75c@$1.00; common imperial, 65@75c; good to choice do, 80c@$1.05; fine to good gunpowder, 80c@1.05; choice $1.15@1.20; extra, $1.25@1.35; choice to extra leaf Japan, 90c@$1.05; fair to good do, 60@90c; colored natural leaf Japan, 55@65c; common to fine Oolong, 35@45c; good 60@70c; choice to extra, 90c@1.00.

TOBACCO—Met with a moderate demand, at unchanged prices. We quote:

CHEWING—Fine Cut—Extra, 75@80c; choice, 65@70c; common, 55@60c; poor, 40@50c.

SMOKING—Extra, 33@35c; medium, 30@32c; common stems, 27@29c.

PLUG—Natural leaf, 75@80c; half bright, 60@70c; black, sound, 48@55c.

WOOD—Continues firm, at full prices. We quote: Beech, $13.00; maple, $14.00; hickory, $14.50@15.00; slabs, $8.00—delivered.

WOOL—Was moderately active, and steady at previous prices. The receipts from the interior are fair, and the stocks here are rather better assorted. We quote:

Tub, washed, extra medium	60@67c
Tub, washed fair do	55@60c
Common dingy	50@52c
Fleece, washed, XX, light	55@60c
Fleece, washed, X, light	55@57c
Fleece, washed, XX, dingy	45@55c
Fleece, washed, X, dingy	45@53c
Fleece, washed, medium light	50@55c
Fleece, washed, medium dingy	45@55c
Fleece, unwashed, X&XX, in good condition	35@37c
Fleece, unwashed, X&XX, dingy	32@34c
Fleece, unwashed, coarse, to medium	40@44c
Fleece, unwashed, coarse, and dingy	38@42c
Super, pulled	40@42c
Extra, pulled	40@45c

Sales include 1,200 lbs coarse unwashed at 44c.

CHICAGO LIVE STOCK MARKET.

MONDAY EVENING, Dec. 2.

CATTLE—Received, 2,598. There was little or nothing doing in the market during the forenoon, buyers seeming inclined to hold off for lower prices. There was no particular change reported in the condition of the Eastern markets, trade continuing dull at most points, with prices generally in buyers' favor, hence shippers were not disposed to operate beyond meeting actual necessities, and their purchases were confined to a few car-loads—taken in the afternoon—of common to choice beeves, at $4.50 to $5.80. Local butchers and feeders operated in a small way—the former at $3.00@4.25, and the latter at $2.80@4.00. Some of the best droves went East in first hands. The market closed dull and weak.

QUOTATIONS.

Extra—Graded steers averaging 1,400 lbs and upwards	$6.25@6.50
Choice Beeves—Fine, fat, well formed 3 year to 5 year old steers, and averaging 1,300 to 1,400 lbs	5.75@6.00
Good Beeves—Well-fattened, finely-formed steers, averaging 1,100 to 1,300 lbs	5.25@5.60
Medium Grades—Steers in fair flesh, averaging 1,100 to 1,250 lbs	4.75@5.00
Butchers' Stock—Common to medium steers, and good to extra cows, for city slaughter, averaging 800 to 1,100 lbs	3.25@4.50
Stock Cattle—Common cattle, in decent flesh, averaging 700 to 1,050 lbs	2.75@4.00
Inferior—Light and thin cows, heifers, stags, bulls, and scallawag steers	2.25@2.50
Texas Cattle—Through droves	2.00@2.75
Texas Cattle—Northern summered	3.00@3.50
Texas Cattle—Corn-fed	3.75@4.50

HOGS—The market opened moderately active at substantially the closing prices of last week, or at $3.95@4.15, but these prices were not long sustained. The receipts (24,091) were the largest ever known, for a Monday, and after the first few car loads had been disposed of buyers became convinced that in order to infuse any life into the trade material concessions would have to be made, and before 10 o'clock prices had settled down 5c, and by midday 10c per 100 lbs. At this reduction buyers took hold "sharp," and a large business was transacted at $3.80@3.85 for common; at $3.90@3.95 for medium, and at $4.00@4.05 for good to choice. Several thousand remained in the pens unsold at the close, and it was expected that lower prices would prevail to-morrow. The following were among the reported sales:

HOG SALES.

No.	Av.	Price.	No.	Av.	Price.	No.	Av.	Price.
124	240	$3.90	49	307	$3.90	67	208	$3.85
45	251	3.90	72	177	3.95	173	293	4.00
46	227	3.90	159	241	3.85	64	345	4.00
116	268	3.90	110	248	3.85	45	386	4.00
99	298	4.00	200	241	3.90	57	289	4.00
52	298	4.05	104	282	4.10	60	238	3.95
60	244	3.95	44	379	4.15	61	284	3.90
51	222	3.95	61	230	3.95	77	264	3.95
62	240	3.90	109	293	3.95	161	386	4.10
110	281	4.00	54	266	4.00	53	296	4.00
68	246	3.90	168	259	4.00	50	274	4.15
103	246	4.10	54	318	4.00	56	361	4.15
175	210	4.12½	48	308	3.87½	45	334	3.95
112	272	4.10	55	297	4.00	54	250	3.95
100	303	4.10	40	359	4.10	38	308	3.95
40	304	4.10	46	330	4.05	54	315	4.05
258	264	4.10	110	267	4.00	41	366	4.10
337	307	4.10	104	321	4.00	51	312	4.00
94	333	4.10	31	400	4.05	44	232	3.90
58	284	4.10	54	248	4.00			
52	339	4.01	96	283	4.05			

SHEEP—There was nothing new to note under this head. The demand was light, and prices were easy at $3.00@3.50 for common, at $3.75@4.00 for medium, and at $3.25@5.00 for good to choice.

The following table, furnished by George T. Williams Assistant Secretary of the Union Stock Yard & Transit Co., shows the movement of live stock during the month of November:

RECEIPTS.

	Cattle.	Hogs.	Sheep.
Chicago, Rock Isl'd & Pacific	5,304	41,910	3,061
Illinois Central R. R.	6,990	85,969	3,527
Chicago, Burling. & Quincy	16,757	106,938	5,398
Chicago & North-Western	7,001	52,681	8,117
Chicago & Alton R.R.	15,955	51,270	....
Pittsb., Ft. Wayne & Chicago	391	2,366	220
Michigan Central R. R.	127	6,142	1,305
Michigan Southern	1,764	14,828	1,770
Pittsb., Cincin'ti & St. Louis	402	4,393	....
Chicago, Danville & Vincennes	730	7,429	280
Driven in	467	37	665
Total	55,884	373,963	24,343
Rec'd in November, 1871	42,881	378,766	19,144
Increase	13,103	5,197	5,199

SHIPMENTS.

	Cattle.	Hogs.	Sheep.
Pittsburgh, Fort Wayne & Chicago	12,194	20,081	4,233
Michigan Central	3,732	50,120	515
Michigan Southern	9,686	61,298	2,103
Pittsburgh, Cincinnati & St. L.	140	3	....
Chicago, Danville & Vincennes	179	650	....
Chicago, Rock Island & Pacific	1,538	....	558
Illinois Central	1,803	51	....
Chicago, Burlington & Quincy	1,153	....	....
Chicago & Northwestern	570	93	8
Chicago, Alton & St. Louis	1,473	85	....
	32,468	132,381	7,417

Average weight of hogs for the month, 272 lbs.

The receipts of live stock for the first eleven months of 1872, compare with the receipts for the corresponding period last year, as follows:

RECEIVED, 1872.

	Cattle.	Hogs.	Sheep.
January	44,990	361,935	42,059
February	41,087	268,136	41,803
March	53,170	176,785	38,170
April	58,393	169,149	24,771
May	71,700	268,259	16,389
June	83,440	254,714	13,776
July	58,439	212,030	13,610
August	64,463	219,406	13,777
September	66,742	214,728	22,452
October	64,957	229,304	23,290
November	55,884	373,963	24,343
Total	643,274	2,739,509	284,659

RECEIVED, 1871.

	Cattle.	Hogs.	Sheep.
January	30,708	300,000	35,111
February	43,299	139,342	43,608
March	44,752	97,058	43,218
April	48,144	71,632	23,379
May	59,217	137,521	23,337
June	52,564	197,469	22,677
July	50,041	165,831	18,022
August	50,583	118,975	24,471
September	53,175	164,749	27,732
October	37,981	161,212	18,632
November	42,781	368,766	19,144
Total	513,196	1,923,252	279,126

CHICAGO LUMBER MARKET.

MONDAY, Dec. 2.

AT THE YARDS—An average trade was transacted at the yards to-day. Buyers were in fair attendance, and common descriptions of building material, such as joists, scantling, and boards were in good request. A good business was also done in fencing. Prices closed as follows:

First and second clear	$48.00@55.00
Second clear, 1 inch to 2 inch	47.00@50.00
Third clear, 1 inch	39.00@40.00
Third clear, thick	43.00@45.00
First and second clear flooring, together, rough	40.00@43.00
First and second clear siding, together	24.00
Common siding	20.00@22.00
Common flooring, dressed, second	30.00@33.00
Common flooring, dressed, first	37.00@39.00
Wagon-box boards, selected, 16 inches and upward	35.00@40.00
A stock boards	37.00@40.00
B stock boards	32.00@36.00
Common boards	15.00@16.00
Joist, scantling, small timber, etc., 16 feet and under	15.00@16.00
Fencing	15.00@16.00
Joist and scantling, 18 to 24 feet	18.00@24.00
Timber—sawed, 12 to 16 feet	15.00@20.00
Shingles—sawed A, ⅌ m	3.50@ 3.75
Pickets, square	15.00@16.00
Pickets, flat	15.00@16.00
Cedar posts, split	16.00@18.00
Cedar posts, round	20.00@22.00
Lath	3.50@ 4.00
No. 1 sawed	$1.50 @2.00
A or Star	3.37½

Three dollars per car to be added when transferred, which charge follows the shingles.

Thickness—Five shingles to be two inches in thickness.

Length—Sixteen inches.

HARDWOOD—Buyers were in fair attendance at the hardwood yards, and a good business was transacted. Prices remained unchanged. We again quote:

Oak (dry)	$25.00@40.00
Black walnut	25.00@80.00
Maple	15.00@35.00
Ash (dry)	30.00@40.00
Butternut	25.00@50.00
Counter tops (select)	1.00@ 1.50
Flooring, 6 in. grooved and matched	75.00
Axles	55@ 75
Wagon poles (each)	55@ 60
Hickory	50.00@75.00
Box boards	$35.00@40.00
Common	20.00@25.00
Clear	30.00@35.00
Culls	15.00@16.00

The receipts and shipments for the last 24 hours, ending at 7 o'clock this morning, were as follows:

	Receipts.	Shipments.
Lumber, m	1,548	1,492
Shingles, m	1,574	850
Lath, m	100	80

Herkimer County, N. Y., Dairy Market.

The market at Little Falls, for the week ending Nov. 30, was more active than for several weeks previous, though there was a slight decline in prices, being about ½c lower than last week. Farm dairies ranged from 13c to 13½c.

About 5,000 boxes of factory were sold, mostly October make. The leading factories made sales at 14c, and none went lower than 13½c to 13⅝c. The Keyes factory sold 500 ten-pound square cheeses at 15½c.

Factories are now receiving milk but once in two or three days, and the cheese is therefore badly skimmed. There were about 150 packages of butter sold at from 30c to 33c.

The weather still continues pleasant, though cattle have all gone into winter quarters.

MARINE INTELLIGENCE.

PORT OF CHICAGO.

ARRIVED.......Dec. 2.

Schr Wm. Crosthwaite, 629 tons coal.
Schr Topsey, Muskegon, 145 m lumber.
Schr Milan, Pensaukee, 130 m lumber.
Schr R. B. Campbell, Todd Harbor, 105 cds wood.
Barge Gladiator, Manistee, 144 m lumber.
Bark Acorn, Menominee, 275 m lumber.
Schr Louise McDonald, Manistee, 155 m lumber.
Schr Jas. Couch, Erie, 1,179 tons coal.
Scow Harriet Ann, Saugatuck, 75 m lumber, 65 cds wood.

MISCELLANEOUS MARINE ITEMS.

Wind from the southeast.

—White Lake is frozen over as far down as Heald's Point.

—The schooner Johnson lost her anchor and chain off Sheboygan.

—The first engineer and fireman of the propeller Pittsburgh were drowned on the 30th at Bay City.

—The barge Indianola, sunk in Lake Huron, has been raised.

—The Cleveland and Detroit line of steamers have ceased running.

—The schooner Pearl collided with an unknown vessel off City Island, and sunk, on the 29th.

RAILROAD TIME TABLE.

ARRIVAL AND DEPARTURE OF TRAINS.

Winter Arrangement.

EXPLANATION OF REFERENCE MARKS.—† Saturday excepted. * Sunday excepted. ‡ Monday excepted. § Arrive Sunday at 8:20 a. m. ‖ Daily.

CHICAGO & ALTON RAILROAD.

Chicago, Alton & St. Louis Through Line, and Louisiana (Mo.) new short route from Chicago to Kansas City. Union Depot, West Side, near Madison-st. bridge.

	Leave.	Arrive.
St. Louis & Springfield Express, via Main Line	* 9:15 a. m.	* 8:20 p. m.
Kansas City Fast Express, via Jacksonville, Ill., and Louisiana, Mo.	* 9:15 a. m.	* 8:10 p. m.
Wenona, Lacon, Washington Express (Western Division)	* 4:30 p. m.	* 8:10 p. m.
Joliet & Dwight Accomodation	* 4:10 p. m.	* 9:20 a. m.
St. Louis & Springfield Lightning Express, via Main Line, and also via Jacksonville Division	¶ 9:00 p. m.	‡‡7:20 p. m.
Kansas City Express, via Jacksonville, Ill., & Louisiana, Mo.	† 9:00 p. m.	‡‡7:20 a. m.
Jefferson City Express	† 9:00 p. m.	‡‡7:20 a. m.
Peoria, Keokuk & Burl'n Ex.	† 9:00 p. m.	* 8:10 p. m.

¶ Daily, via Main Line, and daily except Saturday, via Jacksonville Division. ‡‡ Daily, via Main Line, and daily except Monday, via Jacksonville Division.

CHICAGO, BURLINGTON & QUINCY RAILROAD.

Depots—Foot of Lake-st., Indiana-av., and Sixteenth-st., and Canal and Sixteenth-sts. Ticket office in Briggs House and at depots.

	Leave.	Arrive.
Mail and Express	* 7:30 a. m.	* 4:15 p. m.
Dubuque and Sioux City Exp.	* 9:15 a. m.	* 2:20 p. m.
Pacific Fast Line	*10:15 a. m.	* 3:35 p. m.
Rock Island Express	*10:15 a. m.	* 4:35 p. m.
Galesburg Passenger	* 3:15 p. m.	* 8:10 p. m.
Mendota & Ottawa Passenger	* 4:20 p. m.	* 9:55 a. m.
Aurora Passenger	* 1:45 p. m.	* 8:15 a. m.
Aurora Passenger	* 5:30 p. m.	* 8:55 a. m.
Aurora Passenger (Sunday)	1:00 p. m.	9:35 a. m.
Dubuque & Sioux City Exp.	† 9:15 p. m.	‡ 7:00 a. m.
Pacific Night Express	‖10:00 p. m.	‡ 6:45 a. m.
Downer's Grove Accommodation	*11:00 a. m.	* 2:30 p. m.
Downer's Grove Accommodation	* 6:15 p. m.	* 7:15 a. m.

ILLINOIS CENTRAL RAILROAD.

Depot foot of Lake-st. and foot of Twenty-second-st. Ticket office, 75 Canal-st., corner of Madison.

	Leave.	Arrive.
St. Louis Express	* 7:30 a. m.	* 9:10 p. m.
St. Louis Fast Line	† 8:15 p. m.	* 7:35 a. m.
Cairo Mail	* 7:30 a. m.	* 9:00 p. m.
Cairo Express	† 8:15 p. m.	* 7:35 a. m.
Springfield Express	* 7:30 a. m.	* 9:00 p. m.
Springfield Express	† 8:15 p. m.	* 7:35 a. m.
Dubuque & Sioux City Ex.	* 9:15 a. m.	* 3:00 p. m.
Dubuque & Sioux City Ex.	† 9:15 p. m.	* 7:20 a. m.
**Gilman Passenger	* 5:15 p. m.	* 9:30 a. m.
Hyde Park and Oak Woods	* 6:10 a. m.	* 6:40 a. m.
Hyde Park and Oak Woods	* 7:10 a. m.	* 7:45 a. m.
Hyde Park and Oak Woods	* 9:00 a. m.	* 8:45 a. m.
Hyde Park and Oak Woods	*12:10 p. m.	* 9:50 a. m.
Hyde Park and Oak Woods	* 3:00 p. m.	*10:20 a. m.
Hyde Park and Oak Woods	* 4:15 p. m.	* 1:45 p. m.
Hyde Park and Oak Woods	* 5:15 p. m.	* 5:20 p. m.
Hyde Park and Oak Woods	* 6:10 p. m.	* 5:15 p. m.
Hyde Park and Oak Woods	*11:00 p. m.	* 7:20 p. m.

**On Saturdays this train will be run to Champaign.

CHICAGO, INDIANAPOLIS & CINCINNATI THROUGH LINE, VIA KANKAKEE ROUTE.

Trains arrive and depart from the Great Central Railroad Depot, foot of Lake-st. For through tickets and sleeping car berths apply at Ticket office, 75 Canal-st., corner Madison; 120 Washington-st.; Tremont House, corner Congress-st. and Michigan-av.; also foot of Twenty-second-st.

Leave Chicago	* 8:00 a. m.	‖ 8:00 p. m.
Arrive at Indianapolis	* 4:30 p. m.	‖ 4:00 a. m.
Arrive at Cincinnati	* 9:30 p. m.	‖ 9:15 a. m.

Trains arrive at Chicago at 7:00 a. m. and 9:15 p. m. Only line running Saturday night train to Cincinnati. The entire train runs through to Cincinnati. Pullman sleepers on night trains.

CHICAGO & NORTHWESTERN RAILROAD.

Ticket office, 51 West Madison-st.

	Leave.	Arrive.
Pacific Fast Line	*10:30 a. m.	* 3:10 p. m.
Pacific Night Express	†10:30 p. m.	‡ 6:30 a. m.
Freeport & Dubuque Express	* 9:15 a. m.	* 3:00 p. m.
Freeport & Dubuque Express	* 9:15 p. m.	* 7:00 a. m.
Milwaukee Mail	* 8:00 a. m.	*10:10 a. m.
Milwaukee Express	* 9:45 a. m.	* 4:00 p. m.
Milwaukee Passenger	* 5:00 p. m.	* 7:40 p. m.
Milwaukee Passenger (daily)	‖11:00 p. m.	‖ 6:00 a. m.
Green Bay Express	*10:00 a. m.	* 7:00 p. m.
Green Bay Express	* 9:00 p. m.	* 5:30 a. m.

CHICAGO, ROCK ISLAND & PACIFIC RAILROAD.

Depot, corner of Harrison and Sherman-sts. Ticket office, 83 West Madison-st.

	Leave.	Arrive.
Omaha and Leavenworth Ex.	*10:00 a. m.	* 4:00 p. m.
Peru Accommodation	* 5:00 p. m.	* 9:30 a. m.
Night Express	†10:00 p. m.	‡ 7:00 a. m.
Leavenworth Express	†10:00 p. m.	‡ 6:00 a. m.

LAKE SHORE & MICHIGAN SOUTHERN RAILROAD.

Depot, corner Harrison and Sherman-sts. Ticket office, southwest corner Madison and Canal-sts.

	Leave.	Arrive.
Mail, via Air Line and Main Line	* 9:20 p. m.	* 6:40 a. m.
Special New York Express, via Air Line	* 9:00 a. m.	* 8:00 p. m.
Atlantic Express, via Air Line	5:15 p. m.	6:00 a. m.
Night Express, via Main Line	*†9:00 p. m.	*‡6:30 a. m.
South Chicago Accommodation	*12:00 p. m.	* 1:20 p. m.
Elkhart Accommodation	* 3:40 p. m.	*10:10 a. m.

CHICAGO, DANVILLE & VINCENNES RAILROAD.

Passenger Depot at P., C. & St. Louis Depot, corner of Canal and Kinzie-sts. Out-freight office, corner of Ada and Kinzie-sts. In-freight office at P., C. & St. L. Depot, corner Halsted and Carroll-sts. Freight and Ticket office, 155 Washington-st.

Taking effect Dec. 1, 1872.

	Leave.	Arrive.
Mail	* 7:40 a. m.	* 1:50 p. m.
Evansville & Terre Haute Ex.	* 7:00 p. m.	‡ 7:20 a. m.

PITTSBURGH, FORT WAYNE & CHICAGO RAILROAD.

	Leave.	Arrive.
Day Express	* 9:00 a. m.	* 7:30 p. m.
Pacific Express	§5:15 p. m.	‡ 6:30 a. m.
Fast Line	†*9:00 p. m.	* 6:30 a. m.
Mail	* 4:55 a. m.	* 6:10 p. m.
Valparaiso Accommodation	* 3:45 p. m.	* 8:20 a. m.

MICHIGAN CENTRAL & GREAT WESTERN RAILROADS.

Depot, foot of Lake-st., and foot of Twenty-second-st. Ticket office, 75 Canal-st., corner of Madison.

	Leave.	Arrive.
Mail (via main and air line)	* 5:00 a. m.	* 8:40 p. m.
Day Express	* 9:00 a. m.	* 8:00 p. m.
Jackson Accommodation	* 3:35 p. m.	*10:20 a. m.
Atlantic Express	* 5:15 p. m.	* 8:00 a. m.
Night Express	†*9:00 p. m.	* 6:30 a. m.
INDIANAPOLIS VIA PERU ROAD.		
Mail	* 5:00 a. m.	* 8:40 p. m.
Night Express	†9:00 p. m.	‡ 6:30 a. m.
GRAND RAPIDS AND PENTWATER.		
Night Express	†9:00 p. m.	* 6:30 a. m.

HENRY C. WENTWORTH, General Passenger Agent.

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POSTAL TELEGRAPHY.

[Continued from Third Page.]

have the same motives for scrutinizing messages, the vast amount of business used by Government tariff would render it ... practicable. The use of ciphers, now ... among business men, has to some extent neutralized the danger of the divulgement of secrets; but these cannot be used on every occasion in commercial transactions.

The sending of free messages not ... poses a large burden upon the paying public, and leads to consequences, which I need not discuss, more dangerous, in proportion to the extent, than those which spring from the abuse of the franking privilege of the Post Office. About 7 per cent of the entire telegraphic business of the country is done without apparent remuneration.

The discrimination between the messages of different customers consists, first, in the transmission of "commercial news" in advance of the regular order for distribution among the subscribers, to the delay of the messages of those who do not patronize the "commercial news bureaus," although of the same or any more important class; and, second, in the charges for equal service, from which a portion of the newspaper press is the sufferer.

The relations of the telegraph to the press are necessarily of a very intimate character. The publication of telegraphic items has become at an early day a large and essential part of the business of newspapers, arrangements were soon made for their collection and transmission. Press associations were formed, and agencies at all important news centres, by co-operation were enabled to secure the transmission of their despatches at rates though hardly less profitable to the companies than those for private messages, were exceedingly low when divided among the newspapers. In addition to these associated despatches, many of these papers have "specials," for which the telegraphic rates were also somewhat lower than the ... tariff.

For mutual advantage and protection against competition, an exclusive character was given to these arrangements, the newspapers agreeing not to patronize or encourage opposition lines, and the telegraph companies agreeing on their part to charge higher rates for "specials" to papers not belonging to the association, while at the same time retaining control over the associated papers by refusing to enter into engagement or long contracts with them.

The result of this combination has been the repression of newspaper enterprise, the conditions requiring in some cases a unanimous vote for the admission of a new member, and for "specials" to non-association papers ... so high as to prevent, in many cases, their establishment.

The immediate interests of the associated papers have led many of them, in connection with the telegraph companies, to oppose a Government telegraph. I am satisfied, however, that the press generally would derive substantial benefits from the change that, even those to which the sale of despatches is a source of actual revenue, will gain rather than lose. The great majority will hail with joy release from their dependence upon the telegraph companies, without which relief they never can be entirely free.

The Department could not, of course, undertake to regulate the membership of press associations. It could, however, abolish the discrimination in charge between association and outside papers with regard to special despatches. In view ... upon the press as the great agent of popular education, the Government would make a liberal reduction ... favor from the tariff for private messages ... would measure the charge by the work done, whether for a single paper or an association. The rates, it is hoped, would be so low as to permit a free use of the telegraph by all. The leasing of special wires by the press would be encouraged.

The considerations above noted have ... appealed to Congress for the establishment of a postal telegraph. The importance of the measure has been urged from all points of ... State Legislatures, by Boards of Trade, by Commercial Conventions, by the independent press, and by private persons, many of whom have been prominently identified with the practical workings of the telegraph in this and other countries. The legislation of Congress, which previously been confined to ... liberal management of the ... in private hands, was ... after the close of the rebellion, towards ... sumption by the Government as part of the Post Office establishment. Strenuous opposition was manifested to this proposal. The reasons alleged against its adoption were principally:

1. That the telegraph was essentially a private interest, and should not be controlled by Government, especially in a republic.

2. That under our political system a Government telegraph would be a dangerous instrument in the hands of the party in power, increasing its patronage, and permitting it to scrutinize and delay the messages of the opposition.

3. That Government management ... more expensive, would be less efficient, and ... the public would not be so well served the ...

4. That the cost of the postal telegraph ... be more than the finances of the country ... permit, particularly if, as was claimed, ... not be made self-supporting.

The first three of these objections were deemed sufficient to counter-balance the advantages which the proposition offered. It was contended, and with effect, that the business of telegraphing was substantially the same as letter-carrying, and that no reason could be advanced in favor of Governmental management of the one which did not apply with equal force to the other; that the incorporation of the telegraph with the Post Office would not add largely to the number of officials, and the technical training and experience these officials must have in order to perform their duties at all would preclude their selection for political reasons; that the precaution of timing the receipt, transmission and delivery of messages would prevent delay, and that their secrecy could be as effectually guarded by Government under restraints as it has ever been by private parties; the same motives for efficient management ... on the part of salaried officials, whether in the employ of the Government or of a wide-extended corporation; that the people could exert much greater influence on a Government department, through Congress and through the press, than they can upon a company managed in the interests of its stockholders, notwithstanding the legal responsibility of the latter; that the consolidation of competing lines and the removal of the offices into the Post Office would cause a large reduction in the expense of management, and that the employment of staff for both postal and telegraphic service, perhaps two-thirds of the stations, besides further reducing the expenses, would enable the Department to pay better salaries than are received by either class of employes, and secure greater efficiency.

The fourth objection, supported as it was by statistics claiming to show that Government telegraphs in Europe were not self-supporting, weighed strongly against immediate action on the proposition for a postal telegraph in this country.

The abuses of the existing system were, however, deeply felt. Relief therefrom seemed to be offered in 1866 by a new Company, called the National, which sought to obtain from Congress certain valuable franchises, and proposed in return to transmit Government despatches in advance of and cheaper than those of private parties, and to submit to a proviso reserving the right of Government to step in at any time and take its lines at an appraised value.

In the consideration of this proposition, however, the idea of a future Government telegraph still predominated. It was decided not to restrict the privileges asked by the National Company to that organization, and they were freely offered to all companies who chose to accept the ... the act. The provision in the original draft declaring that the Government might purchase their lines at any time was altered so as to be operative after the expiration of five years ... value as a check on the companies was utterly lost, and its intent was changed from ... portion of a perpetual control over private ... est to a notification that, after a certain date, the Government might assume the management ... what was manifestly considered a public business, and to the expression of a willingness to acquire the necessary machinery therefor at a fair price from companies already possessing it, in preference to purchasing and erecting new machinery.

The act was finally passed in that shape, and approved on the 24th of July, 1866. It was ... accepted by the leading companies, of which the following are now operating their lines ... to its provisions: Western Union, Pacific and National, International Ocean, Northwestern, Missouri River, Atlantic and Pacific, Pacific and Atlantic, Great Western, Franklin, Southern and Atlantic, and National.

The time having now come, in my opinion, when the benefits of a Government telegraph should be secured to the people, it is desirable that advantage should be taken of the provisions of this act, and the lines of some or all of the above companies brought under control of the Department. The other objections to such ... having, it is believed, been fully answered, it only remains to be shown ...

r Jas. Couch, Erie, 1,178 tons coal.
r Harriet Ann, Saugatuck, 75 m lumber, ... wood.

MISCELLANEOUS MARINE ITEMS.

Wind from the southeast.
White Lake is frozen over as far down as M's Point.
The schooner Johnson lost her anchor and ... n off Sheboygan.
The first engineer and fireman of the propeller Pittsburgh were drowned on the 30th at ... City.
The barge Indianola, sunk in Lake Huron, ... been raised.
The Cleveland and Detroit line of steamers ... ceased running.
The schooner Pearl collided with an unknown ... el off City Island, and sunk, on the 29th.

RAILROAD TIME TABLE.

...RIVAL AND DEPARTURE OF TRAINS.

Winter Arrangement.

CHICAGO & ALTON RAILROAD.

CHICAGO, BURLINGTON & QUINCY RAILROAD.

ILLINOIS CENTRAL RAILROAD.

...CAGO, INDIANAPOLIS & CINCINNATI THROUGH LINE, VIA KANKAKEE ROUTE.

CHICAGO & NORTHWESTERN RAILROAD.

...ICAGO, ROCK ISLAND & PACIFIC RAILROAD.

...E SHORE & MICHIGAN SOUTHERN RAILROAD.

...ICAGO, DANVILLE & VINCENNES RAILROAD.

Taking effect Dec. 1, 1872.

...SBURGH, FORT WAYNE & CHICAGO RAILROAD.

...GAN CENTRAL & GREAT WESTERN RAILROADS.

HENRY C. WENTWORTH, General Passenger Agent.

MEDICAL CARDS.

...R. C. BIGELOW

...DENTIAL PHYSICIAN, No. 464 SOUTH ...-ST., CHICAGO.

DR. J. H. CLARK,

...CURE! ...PAY!! Dr. Kean,

...30 South Clark-st., Chicago,

Dr. Stone, Confidential Physician,

... Townsend, 150 South Halsted-st.,

DR. A. G. OLIN,

POSTAL TELEGRAPHY.

[Continued from Third Page.]

have the same motives for scrutinizing messages, the vast amount of business under a low Government tariff would render it much less practicable. The use of ciphers, now frequent among business men, has to some extent neutralized the danger of the divulgement of secrets; but these cannot be used on every occasion in commercial transactions.

The sending of free messages not only imposes a large burden upon the paying public, but leads to consequences, which I need not here discuss, more dangerous, in proportion to their extent, than those which spring from the abuse of the franking privilege of the Post Office. About 7 per cent of the entire telegraphing of the country is done without apparent remuneration.

The discrimination between the messages of different customers consists, first, in the transmission of "commercial news" in advance of its regular order for distribution among subscribers, to the delay of the messages of those who do not patronize the "commercial news bureaus," although of the same or an equally important class; and, second, in unequal charges for equal service, from which injustice a portion of the newspaper press is the chief sufferer.

The relations of the telegraph to the press are necessarily of a very intimate character. The publication of telegraphic items having become at an early day a large and essential part of the business of newspapers, arrangements were soon made for their collection and transmission. Press associations were formed, with agencies at all important news centres, and by co-operation were enabled to secure the transmission of their despatches at rates which, though hardly less profitable to the Companies than those for private messages, were still exceedingly low when divided among the several newspapers. In addition to their associated despatches, many of these papers received "specials," for which the telegraphic charges were also somewhat lower than the ordinary tariff.

For mutual advantage and protection against competition, an exclusive character was given to these arrangements, the newspapers agreeing not to patronize or encourage opposition lines, and the telegraph companies agreeing on their part to charge higher rates for "specials" to papers not belonging to the associations, but at the same time retaining control over the associated papers by refusing to enter into permanent or long contracts with them.

The result of this combination has been the repression of newspaper enterprise, the associations requiring in some cases a unanimous vote for the admission of a new member, and the rate for "specials" to non-association papers being so high as to prevent, in many cases, their establishment.

The immediate interests of the associated papers have led many of them, in conjunction with the telegraph companies, to oppose a Government telegraph. I am satisfied, however, that the press generally would derive such great benefits from the change that, even those papers to which the sale of despatches is a source of actual revenue, will gain rather than lose by it. The great majority will hail with joy a relief from their dependence upon the telegraph companies, without which relief they never can be entirely free.

The Department could not, of course, attempt to regulate the membership of press associations. It could, however, abolish the distinction in charge between association and outside papers with regard to special despatches. Looking upon the press as the great agent of popular education, the Government would make a liberal reduction in its favor from the tariff for private messages, and would measure the charge by the work done, whether for a single paper or an association. The rates, it is hoped, would be so low as to permit a free use of the telegraph by all. The renting of special wires by the press would be encouraged.

The considerations above noted have long appealed to Congress for the establishment of a postal telegraph. The importance of the measure has been urged from all points of view—by State Legislatures, by Boards of Trade, by Commercial Conventions, by the independent press, and by private persons, many of whom have been prominently identified with the practical workings of the telegraph in this and other countries. The legislation of Congress, which had previously been confined to the liberal management of the telegraph in private hands, was directed, after the close of the rebellion, toward its assumption by the Government as part of the Post Office establishment. Strenuous opposition was manifested to this proposal. The reasons alleged against its adoption were principally:

1. That the telegraph was essentially a private interest, and should not be controlled by Government, especially in a republic.

2. That under our political system a Government telegraph would be a dangerous instrument in the hands of the party in power, increasing its patronage, and permitting it to scrutinize and delay the messages of the opposition.

3. That Government management, though more expensive, would be less efficient, and that the public would not be so well served thereby.

4. That the cost of the postal telegraph would be more than the finances of the country would permit, particularly if, as was claimed, it could not be made self-supporting.

The first three of these objections were not deemed sufficient to counter-balance the advantages which the proposition offered. It was contended, and with effect, that the business of telegraphing was substantially the same as letter-carrying, and that no reason could be adduced in favor of Governmental management of the one which did not apply with equal force to the other; that the incorporation of the telegraph with the Post Office would not at first add largely to the number of officials, and that the technical training and experience which these officials must have in order to perform their duties at all would preclude their selection for political reasons; that the simple precaution of timing the receipt, transmission, and delivery of messages would prevent their delay, and that their secrecy could be as effectually guarded by Government under restraint of law as it has ever been by private parties; that the same motives for efficient management exist on the part of salaried officials, whether in the employ of the Government or of a widely-extended corporation; that the people could exert a much greater influence on a Government Department, through Congress and through the press, than they can upon a company managed in the interests of its stockholders, notwithstanding the legal responsibility of the latter; that the consolidation of competing lines and the removal of the offices into the Post Offices would cause a large reduction in the expense of management, and that the employment of one staff for both postal and telegraphic service at perhaps two-thirds of the stations, besides further reducing the expenses, would enable the Department to pay better salaries than are now received by either class of employes, and secure greater efficiency.

The fourth objection, supported as it was by statistics claiming to show that Governmental telegraphs in Europe were not self-supporting, weighed strongly against immediate action on the proposition for a postal telegraph in this country.

The abuses of the existing system were, however, deeply felt. Relief therefrom seemed to be offered in 1866 by a new Company, called the National, which sought to obtain from Congress certain valuable franchises, and proposed in return to transmit Government despatches in advance of and cheaper than those of private parties, and to submit to a proviso reserving the right of Government to step in at any time and buy its lines at an appraised value.

In the consideration of this proposition, however, the idea of a future Government telegraph still predominated. It was decided not to restrict the privileges asked by the National Company to that organization, and they were freely offered to all companies who chose to accept the terms of the act. The provision in the original draught declaring that the Government might purchase their lines at any time was altered so as to make it operative after the expiration of five years. Its value as a check on the companies was thus largely lost, and its intent was changed from the assertion of a perpetual control over private interests to a notification that, after a certain date, the Government might assume the management of what was manifestly considered a public business, and to the expression of a willingness to acquire the necessary machinery therefor at a fair price from companies already possessing it, in preference to purchasing and erecting new machinery.

The act was finally passed in that shape, and approved on the 24th of July, 1866. It was at once accepted by the leading companies, of whom the following are now operating their lines subject to its provisions: Western Union, International, International Ocean, Northwestern, Missouri River, Atlantic and Pacific, Pacific and Atlantic, Great Western, Franklin, Southern and Atlantic, and National.

The time having now come, in my opinion, when the benefits of a Government telegraph should be secured to the people, it is desirable that advantage should be taken of the provisions of this act, and the lines of some or all of the above companies brought under control of this Department. The other objections to such a course having, it is believed, been fully answered, it only remains to be shown that the expense of acquiring a comprehensive system of lines can be easily borne, and that the system, once acquired, can be so managed as to realize from the receipts of the telegraph itself sufficient, after meeting all expenses, to pay the interest on the purchase money, provided for all necessary annual extensions, and gradually to recover the principal, even at the greatly reduced rates which prevail in foreign countries. While the limited data at my command will not permit me to give detailed estimates, my information on the subject is sufficiently accurate to enable me to lay before you the following general plan. Before it can be elaborated, it is necessary that I should be authorized to appoint the appraisers provided for in the act of 1866, and, in addition thereto, that a commission should be appointed, to consist of three members, conversant with the subject, to examine the different systems of telegraphy, and to prepare a scheme for submission to Congress with the report of the appraisers.

Upon the enforcement of the act of 1866, the United States will come into possession of some 75,000 miles of telegraph line, carrying about 160,000 miles of wire. Upon the supposition, however, that if the companies not now operating under the act shall decline to accept its provisions, it will be necessary for the Government to build lines of its own covering their territory, I have made the following estimates, to include the total facilities of all the companies, as shown in the table (Telegraphs, 3), viz., 77,000 miles of line and 165,000 miles of wire.

The majority of lines in this country have been built very cheaply, their entire cost, including patents, being probably much less than $10,000,000. In fact, the poles have been erected in many cases entirely without cost to the telegraph companies, by the railroads along whose tracks they are built. But should it prove impossible for the appraisers to ascertain this cost for each of the companies, the sum for which the Government could duplicate the existing system is easily determined. Data in possession of this Department show that many lines have been lately built, probably not of the best quality, but fully up to the average standard, for not more than $115 per mile of single wire line, and $30 per mile of additional wire. For equipment, an allowance of $5 per mile of line is ample. Were all the wires to be strung at the same time, as they would be if the present system were to be duplicated by the Government, the cost would probably be much less. The cost of a new system, equal in extent to the present, would, at the above rates, be $11,880,000. Many of the wires having, however, been in use for a long time, the appraisers would probably deduct largely from this amount on account of deterioration; but the sum so deducted, at least, would have to be paid out for reconstruction.

It may be proper to state that one of the companies has advanced the theory that the Government should purchase, not only its telegraph lines, property, and effects, but also the good-will of its business, based on present and prospective profits. As it is difficult to see how mere good-will can be brought before the appraisers, under the law as it stands, it is, perhaps, unnecessary for me to discuss at much length the merits of this claim. It has not hitherto been thought necessary for the Government, in undertaking enterprises in which private parties are also engaged, either to acquire the facilities of such private parties, or to compensate them for their loss on account of its competition. Up to the year 1866, the Government was certainly at liberty to compete with telegraph companies, as it now does with banks and express companies in its money-order business and parcel-post. If, then, as claimed by this company, the act of 1866 bound the Government not to enter the telegraphic field for five years, and when it did enter to buy out the existing lines instead of building a more perfect system of its own, the granting of these and the other concessions contained in the act ought to have improved the position of the Government, instead of making it worse.

There was nothing compulsory about the act; its acceptance by the companies was purely voluntary. It looked toward a future postal telegraph, set a time after which the companies might expect to be one established, and offered inducements, which it seems were sufficient, for the companies to agree to yield up their facilities upon the expiration of the time designated.

The manner in which the British Government recently acquired the telegraphs cannot be cited as a precedent for the United States. There was no such previous agreement between Her Majesty's Government and the companies of the United Kingdom as is contained in our act of 1866. The British Government offered to pay twenty years' profits, and, the companies having accepted the proposition, the sitting Parliament sanctioned it. Had the companies been earning 5 per cent, which is a fair return to British capital on a reliable home investment, the price would have simply equalled the cost of the lines. It turned out that their profits were nearer 15 per cent; but the new Parliament, with some opposition, sustained the agreement, and authorized the expenditure. It must be remembered, however, that the British Government has always derived a revenue from its Post Office, and naturally took a commercial view of the acquisition of the telegraphs. The argument was, that, if the profits were higher than was expected, the Government would get so much more for its money, and the sooner the purchase was completed the better. The comprehensive, energetic, and careful management of Mr. Scudamore and his associates has enabled the British Government to realize this view.

Without the data to be acquired by the commission which I have asked to be appointed, I cannot give an accurate estimate of the additional facilities which will be necessary to meet the increase of business on existing routes, or the exact extensions which should be undertaken to points not now reached by the telegraph. With thorough reconstruction, however, the use of improved instruments, and the separation of postal from railway wires, the capacity of existing routes may, without doubt, be doubled. Certainly will this be the case if, as is anticipated, the additional messages induced by low tariffs are largely of a social character, sent out of business hours, and permitting a more equal distribution of business throughout the day and night. An increment of twenty messages per day between any two offices will, at an average receipt of 33 cents, yield $1,980 per year of 300 working days, which will put up 60 miles of additional wire, at $30 per mile, and leave $180 for additional expenses. A business of forty messages daily, twenty each way, will yield $3,960, sufficient to build a single wire line 25 miles, at $130 per mile (including $10 per mile for additional expense away from railroads), leaving $710 for operating and expenses. Whenever, therefore, such an increase takes place on a circuit already established, or such a business can be predicted of an office away from the line, the extensions will be justified. There are, undoubtedly, large districts and important points wholly unprovided with telegraphic facilities, but I cannot at present indicate them with accuracy. The present system extends to 6,162 different points, with about 600 branch offices. At perhaps 1,000 of these, principally mere railroad stations, there are no Post Offices. Should it not be found expedient at any of these latter offices to open Post Offices, the Department could secure their use to the public by such arrangements with the railroads as prevail in Europe. In Great Britain, according to Mr. Scudamore's report, there are 1,807 railway stations open to the public for telegraphic business, and 3,291 postal telegraph stations; but the railway offices transmit only 7 per cent of the messages. While, therefore, these offices must be counted among the telegraphic facilities, their receipts and their cost also will always be small. It has been broadly, but I think properly, stated that the transmission of letters, telegrams, or other correspondence, should not be considered in itself as a proper source of revenue. The tax on correspondence ought to represent merely the actual cost, and the mail and telegraph should be used as freely as possible to stimulate other sources of revenue. Should the postal telegraph be adopted, the Government will probably start with a business of 15,000,000 messages. After the thorough renovation of the lines, I believe the tariff can be advantageously reduced to an average of 30 cents throughout the United States. As a minimum, such a tariff would be too high. I should, therefore, be in favor of adopting a simple graduated tariff, based upon well-known geographical divisions. To lay out such a tariff in accordance with the established course of business would be part of the labors of the Commission for whose appointment I ask. If afforded the necessary opportunities by the companies, they could perform this work, and, at the same time, learn what new facilities, if any, were likely to be necessary.

The experience of Switzerland and some other countries shows that a reduction of 50 per cent in tariffs was followed by an increase of 100 per cent in business. In Great Britain, except for porterage, there was no reduction of rates for more than half of the business, a reduction of 33⅓ per cent on three-tenths of the messages, and on the remainder a reduction of 50 per cent. Under these circumstances the messages nearly doubled in two years.

In the communication from the President of the Montreal Telegraph Company, addressed to Hon. Alexander Campbell, Postmaster General of the Dominion of Canada, under date of 28th October, 1872, before referred to, it is stated that, "believing that this system (differential and distance rates) was erroneous, I, with the concurrence of the Directors, commenced a gradual and very cautious reduction in the rates; and I found that every reduction brought an increase of business much more than the reduction and increased expenses which it entailed came to. Encouraged by this result, I continued the system of reduction from year to year, till an examination of the business of the year 1869 showed me that nearly 90 per cent of our total receipts was obtained from the 25-cent portion of the tariff. This and the discouragement of any proposed opposition line induced me to adopt a uniform charge of 25 cents for each ten words, and 1 cent for each subsequent word, irrespective of place or distance." The result of this reduction, which applied to only 10 per cent of the business, was an increase of 25 per cent in the total number of messages in the first year of its application.

From the foregoing examples, I have no doubt that one year of the tariff above proposed, after the provision of proper facilities, would double the number of messages in this country. In that case, our business will be 30,000,000 messages, which, at an average of 33⅓ cents per message, will yield a gross revenue of $10,000,000.

From this revenue will have to be provided 5 per cent on cost for interest, ($594,000;) 5 per cent on cost for a sinking-fund to recover principal, ($594,000;) 20 per cent on cost for maintenance, supplies, &c., ($2,376,000;) and 10 per cent of gross revenue for extensions, ($1,000,000;) total, $4,564,000, leaving for salaries $5,436,000.

The entire cost of 2,760 stations in the United Kingdom, where the Postmasters provide for the service, is only about one-fourth as much as the aggregate cost of the 600 offices where the department employs a separate telegraphic staff. While the plan of allowing the Postmasters to provide the telegraphic service has there worked satisfactorily, I am of the opinion that it could not be adopted here with equal success. Hence, I estimate for a saving in salaries only at those offices where the Postmaster could personally perform the work. These offices, it is safe to say, number fully 4,000, at which an average extra allowance of $200 per annum would secure to the Department a skilled operator as Postmaster. This would involve an expenditure of $800,000. Arrangements with the railroads for commissions on private business transacted by them would provide for the working of about 1,000 offices, as above stated, costing the Department perhaps $100,000. Fifteen hundred offices, including branches, would then be left, now worked by 5,000 employes of all grades, whose salaries would have to be borne entirely by the telegraph. An increase of 50 per cent in this force would be sufficient to provide for the doubled business, and the salaries of these 7,500 employes, at an average of $900, would consume the residue of $4,500,000.

The foregoing estimates cannot be expected to be minutely accurate. Comparison with the figures of the companies will show them to be exceedingly liberal, especially in the item of salaries; and I believe the actual working of the system would give much better results for the Department. The statistics of Europe can afford no adequate idea of what may be done in this country. A people who use the telegraph so largely as we do, under the great difficulties hereinbefore enumerated, will promptly respond to the utmost advantages that can be offered them. With a much freer, more extended, and more active social and commercial intercourse than prevails between the different States of Europe, with a population rapidly increasing and keenly alive to all the demands of a progressive civilization, and with a territory offering by its vast extent the greatest inducements to the use of the telegraph in preference to the mail, it may be safely predicted that telegraphy in America will hereafter solve problems and accomplish results that will far outstrip its wonderful achievements in the past.

In presenting the foregoing views and recommendations, I have confined myself entirely to the wants of the people in a state of peace, and have sought only to provide suitable facilities for the development of our social, industrial, commercial, maritime, agricultural, and educational resources, and to bind together our extended population by that intimate knowledge which a cheap and extended mode of instantaneous intercourse can alone give. There is another aspect of the subject, much more impressive. In time of war,—and God will not always ward off that terrible calamity,—a postal telegraph will become of supreme importance. The Government, when engaged in a struggle which may involve its very existence or the honor and liberties of the American people, cannot and will not permit the telegraph, unrivalled as a means of communication, to remain in the hands of any individual, company, or corporation. At such a time, public despatches must be forwarded with the greatest celerity and absolute secrecy. Sworn officers of the Government will alone be trusted to discharge duties involving the most tremendous consequences. Hence, nearly all the great nations of the earth have assumed the management and control of the telegraph within their respective borders, and the United States must do likewise.

Before closing this subject, I desire briefly to express my disapproval of the scheme proposed for the incorporation of a company, improperly called "The Postal Telegraph Company," to operate its lines in connection with the Post Office Department. It is not in analogy with the workings of the mail service in any important particular. In the latter, the Department transmits the mails under the charge of its own officers, and controls all the machinery needed for that purpose. In the former, it is proposed to make the Department a mere agent to receive and deliver telegraph messages for the benefit and profit of a private corporation. The terms of the proposed charter require the Government to furnish stamps, stamped paper, and stationery; to receive the message from the transmitter, take the pay therefor, see that the proper stamp is affixed, and hand over the message to the operator of the company; and then, at the office of delivery, to see that it is properly written out, enveloped, and delivered. The Government is required to provide and equip suitable station houses for all the offices, operators, instruments, and batteries of the company. The Government is also required to keep all accounts arising out of the business of telegraphing; make reports to the company at stated times, and pay over all the moneys chargeable upon the gross number of messages, after deducting 5 cents only on all despatches other than press despatches, and 3 cents only on them. It thus appears that, while the company is only required to provide the lines, batteries, and operators, and the Government everything else, the company is to receive (should the average receipt per message be no higher than 40 cents) about 87 per cent of the receipts, and the Government only 13 per cent. Doubtless a most excellent arrangement for the Company, but doubtless a most unprofitable one for the Government. Furthermore, the supervisory power given the Postmaster General is a delusion, because every order that he might make, however important or unimportant, would be subject to an appeal, upon the application of the Company, to a Board of Arbitrators, and, on failure or refusal of the Company to perform any duty, the Postmaster General, provided he should be sustained by the arbitrators, would have no remedy other than to take possession of the lines of the Company, and "contract with some suitable party for the performance" of the service. The Government, inasmuch as it would deal directly with the parties sending and receiving messages, would be alone looked to for redress in case of default; and yet it would have no adequate power to compel the Company to execute its contract. This would lead to endless confusion and irreconcilable conflicts between the Government and the Company, and would certainly result in great inconvenience and pecuniary disaster to the people; and before the expiration of the ten years of the contract, the Government would find that it had been fostering a mammoth corporation, from whose embrace there would be no escape except by buying it off. Authority is asked for the issue of a large amount of stock for purposes of mere organization; yet it is not claimed that the new Company, when organized, will control a single mile of wire now standing, nor is the Company required within any specified time to enter upon the performance of its contract. To meet its engagements within a reasonable time the Company will be compelled to buy out or control some, at least, of the existing lines, without any such previous agreement with them as the Government enjoys under the act of 1866, and upon the best terms obtainable. Should the charter pass and the new Company acquire the lines of the old organizations thereunder, the Government would, by permitting their purchase on a good-will basis, lose the advantages of its present position; and when the time came for the absolute sale of the new Company's lines, which is provided for in the proposed charter (as come it certainly would), the Government could not, without apparent injustice, go behind the transaction between the new company and its predecessors, to which consent had been given by the charter, and would be obliged to pay a much larger sum for the lines now in operation than could be justly demanded under the act of 1866.

I am decidedly of opinion that, if the public interest requires a postal telegraph, it should be put entirely into the hands of the Government. If, on the contrary, a postal telegraph is not so demanded, then the Government should not favor one private company to the exclusion of another, nor should it in anywise enter into competition with private enterprise.

CITY REAL ESTATE.

FOR SALE—LARGE NUMBER OF DESIRABLE residences, from $5,000 to $25,000; possession now or May 1; on South Side, and in Oakland and Hyde Park. 50x185, east front, on Vincennes-av., near Thirty-seventh-st. 25x125, on Egan-av., near Cottage Grove, easy terms. Six lots on Burnside-st., and 4 lots on Forty-seventh-st., near car shops. Seventy-five lots at Holstein, cheap. Twelve lots on Twelfth-st., near Wood. Fine building sites at Oakland and Hyde Park. ULRICH & BOND, 511 Wabash-av.

FOR SALE—GREAT BARGAINS—BY JACOB WEIL & Co., No. 129 and 131 LaSalle-st., Boone Block, basement: 150 feet on the southwest corner of Indiana-av. and Forty-ninth-sts, price, $50 a foot; one-half cash, balance in one and two years. 300 feet on the northwest corner of Michigan-av. and Fiftieth-st. Price $60 a foot, one-third cash, balance in one, two and three years. 4½ acres on the corner of Fifty-first-st. and Cottage Grove-av., being 250 feet, fronting the Park by 660 feet on Cottage Grove-av. Price $45,000, with one-quarter cash, balance in one, two and three years.

FOR SALE—GOOD LOTS ON ALL THE STREETS between Twenty-third and Thirty-ninth-sts., and between State and Wallace. All out of fire limits. Perfect titles. Warranty deeds. A very small payment down; 5 years, 6 per cent. No agency business. ALBERT CRANE, 372 Wabash-av.

FOR SALE—AT A BARGAIN—LOTS ON WESTern-av., Polk, Taylor, and Campbell-av. Parties wishing to build no money required for one year. Inquire of GEO. CADWELL, or at 135 South Clark-st., in bank.

FOR SALE—AT A BARGAIN—ON MONTHLY payments, new house, 11 rooms, lot 25x125. Inquire on the premises of GEO. CADWELL, corner of Western-av. and Polk-st.

FOR SALE—2-STORY FRAME HOUSE, 10 ROOMS, brick foundation; all modern improvements; heated by steam. Barn and lot 50x125 feet, southwest corner West Washington and Lincoln-sts. SNYDER & LEE, 14 Nixon's Building, northeast corner Monroe and LaSalle.

FOR SALE—100x125 FEET, SOUTH-EAST CORNER Adams and Lincoln-sts.; also, 50x125 feet, corner Adams and Winchester-sts. SNYDER & LEE, 14 Nixon Building, northeast corner Monroe and LaSalle-sts.

FOR SALE—20x80 FEET, WEST FRONT ON Franklin-st., between Randolph and Lake-sts. SNYDER & LEE, 14 Nixon Building, northeast corner Monroe and LaSalle-sts.

FOR SALE—MANUFACTURERS'S LOT, 50x125 feet, on Mather-st., near Canal; alley on the side. Price, 115 per foot. SNYDER & LEE, 14 Nixon Building, northeast corner Monroe and LaSalle-sts.

FOR SALE—A TWO-STORY AND BASEMENT brick house (new) in South Division, $10,500. One of same dimension, $10,000. One of same dimension, $9,500. Also, have several frame houses, worth from $6,000 to $12,000. P. A. BROWN & D. HORTON, Real Estate Agents, 373 Wabash-av.

FOR SALE—SEVERAL FINE DWELLINGS ON South Side, at a decided bargain. J. C. McCORD & CO., 158 LaSalle-st.

FOR SALE—40 ACRES, SOUTH SIDE, NEAR CITY, at extremely low figures. Also, 20-acre tract. Title first-class. S. DELAMATER, corner Clark and Madison-sts.

SUBURBAN REAL ESTATE.

FOR SALE—AT MAYWOOD, A NEW HOUSE, containing two parlors, dining-room, family bedroom, closet, bath-room, earth closet, kitchen, pantry, cistern, and woodshed, large hall; in the chamber large hall, three large rooms, and three closets; east front, with one-half block; or ten lots. I will exchange this property for some cash, balance in furniture, including piano, organ, dry goods, hardware, lumber, or good team, wagons. Rare opportunity to secure a good home. Owner has gone to Colorado. A. T. HEMINGWAY, 45 Central Union Block.

FOR SALE—3¼, 4½, AND 5 ACRES, SUBDIVIDED ¾ mile south of depot, at Hinsdale, only $300; worth $600; small payment down. K. WINNE, No. 126 South Clark-st., Room 1.

FOR SALE—20 ACRES, NEAR SOUTH CHICAGO, to exchange for inside city property. J. H. KEELER, 145 Clark-st., corner Madison.

FOR SALE—LOTS OR BLOCKS IN KENNEY & Rinn's Addition to South Evanston; will be sold at a bargain as we need the money. W. N. & C. E. BRUNER, 351 Wabash-av.

COUNTRY REAL ESTATE.

FOR SALE—WILMINGTON COAL LAND—EIGHTY acres in Section 12, Grundy County, Ill., in cultivation, and lying in the heart of the "Braidwood Coal Field" and adjoining mines now a successful operation. Address OWNER, P. O. Box 1963, New York.

FOR SALE—FARMS—40 ACRES IN TWO FARMS; 1,000 appletrees; about two miles from Ashkum. 80 improved, near Watseka, County seat, with bearing orchard. 80 improved, near Gilman; will take cash or hardware, dry goods and Chicago property; correspondence solicited. Address E. R. HURLBUT, Ashkum, Illinois.

HORSES AND CARRIAGES.

AUCTION THIS MORNING, AND EVERY MORNing at 10 o'clock till further notice, at new brick barn 243 West Twelfth-st., 20 head of mares of all grades; 4 buggies; 4 sets of harness; 1 lumber, and 3 spring wagons. Bring in your stock if your want it sold. No charge if not sold. Good board for stock at low rates. JOHN MORTON RUSSELL.

FOR SALE—CHEAP—A FINE CLARENCE CARriage, and sleigh, 3-seated. W. A. RUSSELL, 243 West Twelfth-st.

FOR SALE—CHEAP—A FINE CARRIAGE HORSE, 15 hands high. Can trot in 2:50. Inquire at 288 State-st.

FOR SALE—NEW FIRST-CLASS LIGHT AND heavy delivery wagons; also one new light platform spring truck, at 269 South Canal-st.

FOR SALE—FIRST-CLASS EASTERN CUTTER—Cheap. 183 Twenty-ninth-st.

FOR SALE—A GOOD WORK HORSE FOR $50. To be seen at 747 West Madison-st.

FOR SALE—A HORSE, YOUNG, SOUND, AND kind; also a buggy and harness. M. C. KELLEY, Room 12, 172 Adams-st.

FOR SALE—A FIRST-CLASS HORSE, BUGGY, and harness. Inquire at 150 South Halsted-st., up-stairs.

FOR SALE—A SPLENDID TEAM—ON ACCOUNT of removal. Inquire at No. 483 Mitchell-st.

FOR SALE—A FINE BLACK HORSE, 5 YEARS old, 16 hands high; to be seen at 767 West Madison-st., to-day.

PUBLIC NOTICE—T. R. BROOKMAN, 190 Twenty-second-st., feels a pleasure in informing applicants and parties wanting first-class stable accommodations, that he has just completed his new brick barn and coach houses and is now prepared to offer to horse owners comfortable stalls and attendance second to none in the city. T. R. B. has also a good stock of Portland cutters and other sleighs for sale. Horses, carriages, buggies, and sleighs to let by the mile, hour, day, month, or year.

SLEIGHS — SLEIGHS — PORTLAND CUTTERS, very fine and light; also a variety of cheap cutters at BRADLEY'S, corner Randolph and May-sts.

SLEIGHS—SLEIGHS—FINEST DOUBLE AND SINgle Portland cutters at HATHAWAY'S, 600 State-st.; also at new salesroom 349 State, near Harrison-st., building lately occupied by Church for house furnishing goods.

WANTED—TO RENT—A FURNISHED ROOM, with or without board, not far from Twenty-second-st. Address F 20, Tribune office.

WANTED—THE USE OF HORSE AND WAGON, one or more months, for city delivery; fed and cared for by owner. Address, stating terms per week, G. W. S. & CO., 57 West Randolph-st.

WANTED—TO EXCHANGE—A VERY FINE STYLish carriage horse, young, well-broken, sound, and kind, for a first-rate family horse and carriage; horse must be used to cars and suitable for a lady to drive. Address S 42, Tribune office.

LOST AND FOUND.

LOST—$100 REWARD—ON SATURDAY LAST A gentleman's solitair diamond pin, on 4 o'clock N. W. train, or on Madison, Desplaines, or Kinzie-sts. The finder will receive the above reward and no questions asked by returning the same to the owner, S. C. KEELEN, 134 East Madison-st.

LOST—LEFT IN EVANSTON DEPOT, A BUNDLE containing articles of clothing and jewelry, on Saturday, Nov. 30. The finder will be rewarded by leaving the same at 10 and 12 East Madison-st., or at my residence in Evanston, opposite Methodist Church. T. F. PHILLIPS.

LOST—SATURDAY NIGHT, ON MICHIGAN OR Wabash-av., between Twenty-second and Twenty-fifth-sts., an Alaska sable boa. The finder will receive a reward by leaving it at 903 Michigan-av.

LOST—ON SATURDAY AFTERNOON, EITHER ON Congress-st., between Aiken's Theatre and State, or on State, between Congress and Adams, an etruscan gold ear-ring. A reward of $5 will be paid on its delivery to the cashier of the carpet department, Field, Leiter & Co., corner State and Twentieth-sts.

STRAYED—FROM 172 ONTARIO-ST., ENGLISH coach dog, rather dark, black spot over left eye, leather collar, Chicago dog badge, No. 112, attached. Liberal reward for his return to above place.

TAKEN UP—A BLACK COW; AT THE FOURTH house north of Fifty-ninth-st., on State-st. G. WIDERBORG.

$100 REWARD — STOLEN FROM CORNER Clark and Madison-sts., a bay mare, and buggy, square box, newly painted black. Mare's two hind legs white, scar on knees of front legs, weighs 900 to 1,000 lbs, about 16 hands high. Above reward will be given to any person finding the above, and leaving at southeast corner of Twelfth and Canal-sts. A. CAMPBELL.

SEWING MACHINES.

SINGER SEWING MACHINE OFFICES OF J. N. WILKINS, 26 South Desplaines-st., and 167 Milwaukee-av. Machines sold on easy monthly payments, and work given in payment, if desired.

SINGER SEWING MACHINES AT 349 STATE-ST., sold on easy monthly payments. Machines repaired.

WHEELER & WILSON SEWING MACHINES, the new improved sold or rented on easy monthly payments. BURNHAM & FLANNERY, City Agents, main office 328 West Madison-st.; branch 260 Wabash-av.

FOR SALE.

FOR SALE—500 CAVALRY OVERCOATS, 1,000 infantry overcoats, wholesale and retail. CLEMENT & SAYER, 284 and 286 Milwaukee-av.

FOR SALE—A SILVER TEA AND COFFEE SERvice, with tray to match; also double barrel gun, breech loader. Can be bought cheap, owner leaving Chicago. Apply at 11 North Green-st.

FOR SALE—A NOTARY PUBLIC'S COMMISSION for Cook County; runs nearly four years; best cash offer takes it. Address F, 83, Tribune office.

PERSONAL.

PERSONAL—THE LADY NOW CANVASSING CHIcago for an article manufactured in Rochester, N. Y., can hear of exceeding good news relative to business by addressing D 37, Tribune office.

PERSONAL—JOSEPH ROOM, YOU WILL FIND your brother at the corner of Blackhawk-st. and Elston-road.

CLAIRVOYANTS.

DR. MATHEW AND MADAM MAYNARD CAN tell of business, marriages, journeys, lawsuits, absent friends, lost or stolen property, or anything you wish to know. Cures fits, paralysis, rheumatism, deafness, sore eyes, seminal weakness, consumption, liver complaint, ague, catarrh. Delicate diseases cured in a few days. Cure or no pay. 201 West Madison-st.

MUSICAL.

REMOVAL OF PIANO ROOMS TO 426 WABASH-av., near Thirteenth-st. Pianos to rent and for sale. Renting a specialty. WM. R. PROSSER.

TO LEASE.

TO LEASE—40 ACRES OF LAND, WITH LARGE house and stables, about 3 miles southwest of Stock Yards. J. L. DAVIS, 376 State-st.

BOARDING AND LODGING.

West Side.

13 BRYAN-PLACE, FRONTING UNION PARK—Randolph-st. cars pass the door—Board, with rooms, furnished or unfurnished, suite or single.

15 SOUTH UNION-ST.—ACCOMMODATION FOR a few more boarders; table boarders wanted; first-class board $5 per week.

72 SOUTH MORGAN-ST., NEAR MADISON-ST.—A pleasant and nicely-furnished front bedroom, with board, suitable for one person.

83 SOUTH MORGAN-ST.—TWO NICELY FURnished single rooms for gentlemen, with first-class board.

231 WEST WASHINGTON-ST.—PLEASANT SUNny room to rent, with board; also, day boarders accommodated.

308 WEST JACKSON-ST.—A FEW GENTLEMEN can be accommodated with pleasant front chambers, with first-class board, and the privileges of a home in a private family.

332 WEST WASHINGTON-ST.—PLEASANT ROOM with board for gentleman and wife, also one single room.

336 WEST ADAMS-ST.—CAN ACCOMMODATE persons wanting board with nicely-furnished rooms, with first-class table; private family.

457 WEST JACKSON-ST.—A PLEASANT FURnished room, with first-class board, for one person.

623 WEST ADAMS-ST., NEAR UNION PARK—one furnished and one unfurnished suite; also, a furnished single room, with board. Location and accommodations the best in the city.

661 WEST MONROE-ST.—A NICE FRONT room, with alcove, hot and cold water, heated nicely by furnace, with board, for gentleman and wife, or two gentlemen. Reference required.

682 WEST LAKE-ST.—A VERY PLEASANT front suite of unfurnished rooms, with board, for gentleman. Terms moderate.

723 FULTON-ST.—LARGE FURNISHED ROOM, hot and cold water, heated by furnace, use of bath, good table board, with home comforts, $7 per week.

A SUITE OF 2 OR 3 ROOMS (UNFURNISHED) with board, in private family. References required. Inquire at store 728 West Madison-st.

WEBER HOUSE—156 WEST LAKE-ST. FIRST-class board at from $6 to $9 per week; day board, $5; transient, $2.

South Side.

2 HUBBARD-COURT—FURNISHED ROOMS TO rent, with first-class board.

43 HUBBARD-COURT—NEW BOARDING HOUSE first-class board and room, $5 to $6 per week, with use of piano; day board, $4.

43 HUBBARD-COURT—NEW BOARDING house; first-class board, with room, $5 to $6 per week, with use of piano. Day board, $4.

118 ELDRIDGE-ST.—FURNISHED ROOM, WITH board, suitable for two gentlemen, or gentleman and wife. Reference required.

384 WABASH-AV.—AN ELEGANTLY-FURnished room on the first floor, bath room, &c., with first-class table.

665 WABASH-AV.—TWO PLEASANT FURNISHed rooms, with first-class board, for gentlemen and wives, or single gentlemen, with references.

1200 PRAIRIE-AV.—A PLEASANT ROOM WITH board.

A FEW STALLS LEFT FOR BOARDERS AND some horses for sale if called for this day, 42 Harmon-court. M. C. BRADLEY.

BOARD WANTED.

BOARD—TWO YOUNG MEN DESIRE A WELL-furnished room with first-class board on Michigan or Indiana-avs. Address W 47, Tribune office.

BOARD—IN A PRIVATE FAMILY ON WEST SIDE, where there are no other boarders, by a young man aged 22. Style no object. References exchanged. Address M 12, Tribune office.

BOARD—FIRST-CLASS BOARD FOR TWO PERsons, between Twentieth and Twenty-fifth-sts., east of State-st. H H S, 905 Michigan-av.

BOARD—BY GENTLEMAN AND WIFE, WITH two rooms or one large room, furnished. References exchanged. Address M, care Carrier No. 3.

TO RENT—ROOMS.

TO RENT—A SUITE OF FRONT ROOMS, CHEAP, to party of four gentlemen. Also, other furnished rooms, at 251 West Monroe-st.

TO RENT—ROOMS OVER STORE, 345 COTTAGE Grove-av., $15 per month. Also, ten-room cottage, 1675 State-st., $35 per month. GEO. H. HESS, 146 LaSalle-st. and 227 Egan-av.

TO RENT—ROOMS, FURNISHED OR UNFURnished, with or without board. No. 175 North Dearborn-st.

TO RENT—3 NICELY FURNISHED FRONT ROOMS for 2 or 4 gents; stove in room; 7 blocks from Madison-st., at 45 Harmon-court.

TO RENT—3 FIRST-CLASS UNFURNISHED ROOMS for housekeeping, with cook stove; can move in Monday. S 40, Tribune office.

TO RENT—HANDSOMELY FURNISHED ROOMS, by the day, week, or month, at the Lawrence European Hotel, 151 and 153 Dearborn-st.

TO RENT—HANDSOMELY-FURNISHED ROOMS for gentlemen, at Central Hotel, 52 Market-st. Apply at Room 121, fourth floor.

TO RENT—SECOND FLOOR, AND FIXTURES FOR sale, at 87 State-st.

TO RENT—ROOM WELL FURNISHED FOR TWO gentlemen; brick house, 41 South Carpenter, one door from Washington.

TO RENT—FINE SUITE OF CORNER ROOMS UNfurnished (two and closet), 265 Halsted-st., corner of Harrison; also one single room. Apply to J. H. KEELER, 145 Clark-st., corner of Madison.

TO RENT—TO A SMALL FAMILY WITHOUT CHILdren, two rooms, two closets, and large hall in front of dry basement; rent only $10 per month. Apply at 116 North Paulina-st.

TO RENT—TILL MAY 1, TWO FRONT ROOMS IN basement, unfurnished except carpets, or furnished; a cook stove for sale cheap if desired; location pleasant and convenient to horse cars. 310 Thirty-third-st.

TO RENT—IN A PRIVATE FAMILY, A COMFORTably furnished front room suitable for 1 or 2 gentlemen of quiet habits. References required. 50 South Morgan-st.

TO RENT—NICELY FURNISHED FRONT PARlor and second-story rooms, with fire and gas, at 307 West Monroe-st.

TO RENT—AT 84 SOUTH MORGAN-ST.—FRONT room, second floor, with hall bed room, and large closet, gas, and fire.

TO RENT—ROOMS AND ALSO BASEMENT. APply at 324 Randolph-st.

TO RENT—FURNISHED ROOMS—A GENTLEMAN who is willing to take a roommate can hear of an elegantly furnished room on Prairie-av., near Sixteenth-st. References exchanged. Inquire at 171 East Madison-st., Room 4.

TO RENT—NICELY FURNISHED ROOMS, WITH gas, bath-room, etc.; strictly private family. Terms reasonable. 371 Michigan-av.

TO RENT—FURNISHED SLEEPING ROOMS FOR gentlemen; terms low for the winter. Apply 871 Wabash-av., near Eighteenth-st.

TO RENT—HOUSES.

TO RENT—2 HOUSES AT OAKLAND, AND 3 AT Hyde Park. ULRICH & BOND, 511 Wabash-av.

TO RENT—FURNISHED HOUSE OF 6 ROOMS—Call or address 58 South Sheldon-st.

TO RENT—A COTTAGE HOUSE OF 10 ROOMS, No. 573 Fulton-st. Call on premises.

TO RENT—COTTAGE HOUSE, 5 ROOMS, AT 256 Centre-av.

TO RENT—A NEW OCTAGON MARBLE FRONT house, 390 Chicago-av., opposite Water Works, two-story and basement, furnace and all modern improvements. Apply at 220 Sedgwick-st., near Hill.

TO RENT—PART OF HOUSE NO. 364 WARREN-av. Advertiser an Episcopal clergyman; Church family preferred. Apply on premises to-day.

TO RENT—A SIX-ROOM COTTAGE, JUST FINished, on Twenty-seventh-st., between Stewart-av. and Garibaldi-st., at $25 per month. M. T. NOBLE & CO., 76 Van Buren-st.

TO RENT—OR FOR SALE—THE FURNISHED cottage 1104 Indiana-av., on 8 years leased ground; $1,550 for house and furniture; terms to suit. M. C. BALDWIN, 84 LaSalle-st., Room 24.

TO RENT—STORES, OFFICES, &c.

TO RENT—A PORTION OF A FIRST-CLASS saloon for a restaurant. Inquire at 398 State-st. Also, show-case for sale.

TO RENT—A GOOD FRAME STABLE, WITH carriage-house attached, situated in rear of 92 West Washington-st. Room for six horses. Stable in complete running order. Apply to J. A. HOLMES, Clifton House.

TO RENT—DESK ROOM IN PLEASANT AND WELL lighted office at low rates. Inquire at Room 12, No. 79 Dearborn-st.

TO RENT—CHEAP—A GOOD BARN. APPLY AT 1034 Michigan-av.

TO RENT—ONE-HALF THE STORE NO. 379 WEST Madison-st., corner of Ann, cheap. Inquire on premises, or at 311 West Madison-st.

TO RENT—DESK ROOM, AT NO. 5 MORRISON Block, FROST & McLENNAN.

TO RENT—2 WELL-LIGHTED BASEMENTS, 165 and 167 West Madison-st. Inquire on premises. W. PATTESON.

TO RENT—ROOM AND POWER, THREE LARGE floors, 60x28, at 39 North Union-st., near Lake. G. W. SIMPSON.

TO RENT—THE 4-STORY AND BASEMENT STONE front store No. 160 State-st. Apply to L. B. OTIS, Room 1, Otis Block.

TO RENT—STORE—376 STATE-ST., RUNNING back to planked alley; immediate possession. J. L. DAVIS, 376 State-st.

WANTED—TO RENT.

WANTED—TO RENT—A PLEASANT FURNISHED room, or would rent four unfurnished rooms, on or near Cottage Grove. Must be good location. Address H 48, Tribune office.

WANTED—TO RENT—A COTTAGE FOR A SMALL family, at some station on Milwaukee Railroad. Give description and terms, and address Z 34, Tribune office.

WANTED—TO RENT—BY A CASH TENANT, A house of at least 6 rooms. Address 191 North LaSalle-st., giving all particulars.

TO EXCHANGE.

TO EXCHANGE—BEST BUSINESS BLOCK IN A thriving city, rented, paying large percentage, for Chicago property. Great bargain for cash. LINGLE & DARLOW, 11 Otis Block, LaSalle-st., corner Madison.

TO EXCHANGE—FOR A STOCK OF MERCHANdise, an A No. 1 farm, under high state of cultivation, situated near railroad; city of 8,000 inhabitants. P. A. BROWN & D. HORTON, 373 Wabash-av.

WANTED TO EXCHANGE FOR ACRE PROPERty in Cook County, a business block in a good city less than 100 miles from Chicago, and worth $20,000, and free of incumbrance. JAMES ALLEN, Room 13, 145 South Clark-st., southeast corner of Madison.

PRINTING MATERIAL.

FOR SALE—TWO SMALL IMPOSING STONES. Can be seen in composing room of The Tribune office, on inquiry of foreman.

INSTRUCTION.

WANTED—TO GIVE MUSIC LESSONS IN PART payment for 2 or 3 rooms for housekeeping; no children. Address Mrs. L, 270 West Harrison-st.

WANTED—MALE HELP.

Bookkeepers, Clerks, &c.

WANTED—AN ASSISTANT BOOKKEEPER, ONE who writes neat and rapid; willing to work for moderate salary and can bring A No. 1 recommendation. Address, stating experience and particulars, HOWE, care of Carrier No. 29.

WANTED—A COMPETENT SALESMAN FOR pianos—one who has experience and good references. Address, stating the salary expected, P 27, Tribune office.

WANTED—3 MEN IN PROVISIONS, 6 SALESmen city trade. BUSINESS AGENCY, 183 East Washington-st.

WANTED—AN ASSISTANT BOOKKEEPER FOR a coal office. Address X 11, Tribune office.

Trades.

WANTED—A GOOD CANDY-MAKER TO GO TO A thriving city in Missouri. Inquire of M. E. PAGE & CO., 55 South Green-st.

WANTED—A FIRST-CLASS JOB AND NEWSpaper pressman; only the best need apply; good wages offered. Address Daily Gazette, Ft. Wayne, Ind.

WANTED—8 OR 10 BRICKLAYERS AND HODcarriers; come with your tools for work, Tuesday morning at 9 o'clock, at the corner of Lake-st. and Western-av.

WANTED—SOAPMAKER—A COMPETENT MAN who understands making yellow soaps, to take charge of this branch of a large manufactory in the West. Address, giving full name of applicant and name of present employers, Post Office Box 112, Cincinnati, O.

WANTED—6 GOOD CABINETMAKERS, THOSE used to office work; best of wages. Apply at Factory, 507 and 513 Kinzie-st.

Coachmen, Teamsters, &c.

WANTED—TEAMSTER; MUST BE WELL ACquainted with the city, and bring references. CHAS. E. WILLETTS, 53 Michigan-st.

Miscellaneous.

WANTED—A GOOD SMART BOY, ABOUT 16 years old to do office work. One who resides with his parents preferred. Salary, $5 per week. Apply at 24 River-st., after 9 a. m. OTIS S. FAVOR.

WANTED—AN EXPERIENCED SALESMAN FOR spice wagon, one well acquainted with city; a live man with good references. Address U 42, Tribune office.

WANTED—30 COAL MINERS. FREE FARE. Railroad, levee, tie cutters, for the South; cheap tickets to St. Louis, Memphis, and all points South. ARGELL & COAKER, 21 West Randolph-st.

WANTED—2,000 MEN FOR N. O. M. & TEXAS Railroad, half fare. Also, 1,000 levee hands, wages, $50 per month and board. Tickets to all points South to be had in our office, 25 West Lake-st., cheaper than you can purchase elsewhere.

WANTED—MEN LOOKING FOR EMPLOYMENT to call on JONES & CO., 169 West Madison-st. Business legitimate, and pays large.

WANTED—300 MEN FOR MISSISSIPPI CENTRAL Railroad; wages $2.25, board $3.50; low fare; cheap tickets South. No. 29 West Madison or 15 South Canal-st. SHAW & WILSON.

WANTED—3,000 LABORERS FOR CALIFORNIA & Texas Pacific and Cairo & Fulton Railroad; 2,000 for levee work; highest wages paid; part free fare to work. Also carpenters, hewers, and choppers. Apply to C. V. SNELL & CO., 23 West Randolph-st.

WANTED—MEN FOR LARGE TOWNS IN PERmanent business; profits $5 to $20 daily on small capital. Apply in basement, 373 Wabash-av.

WANTED—AN ERRAND BOY ROOMS 26 AND 27, Morrison Block, southeast corner Madison and Clark. Call at 8:30 a. m.

WANTED—THIS DAY—100 CORD-WOOD CHOPpers for Ohio; one year's work; part fare paid to those having baggage; also, 1,500 levee laborers for the South; cheap fares. Apply to CHRISTIAN & BING, 101 South Canal-st.

WANTED—A BELL BOY AT CLARKE'S EUROpean Hotel, corner South Water and LaSalle-sts.

WANTED—A MAN TO SOLICIT ORDERS FOR every imaginable kind of sign painting amongst merchants and others; a good chance for an energetic man. M. LACY, 236 State-st.

WANTED—A FEW GOOD AGENTS FOR THE country, must be first-class. Vim and energy necessary. "Dead beats" need not apply. Rare chance. Call 307 West Madison-st., office No. 1, up stairs.

WANTED—STRONG BOY TO CARRY SAMPLES. Apply, from 8 to 9 a. m., at Jansen's Hotel, 74 South Sangamon-st.

WANTED—IN A GRAIN COMMISSION HOUSE, a smart lad for office work; must be a good penman. Address, in own handwriting, stating age and salary expected, W 32, Tribune office.

WANTED—AN A NO. 1 COAL CANVASSER. APply at 177 LaSalle-st., between 3 and 5 p. m. A. QUACKENBOSS.

WANTED—SEVERAL YOUNG MEN FOR THE city and country. Those with $3 to $10, or $20, can clear $15 to $30 a week if smart and intelligent. Call from 9 to 12 a. m., Tuesday. A. RAY, 25 West Lake-st.

WANTED—CANVASSERS FOR NEW ILLUSTRAted works. MOSES WARREN, 499 Wabash-av.

WANTED—FEMALE HELP.

Domestics.

WANTED—A GOOD COOK—GOOD WAGES. APply at 43 Hubbard-court, between State-st. and Wabash-av.

WANTED—2 GOOD GIRLS, FIRST TO DO DINing-room work, second to do chamber-work. Apply at 121 West Lake-st.

WANTED—A GIRL THAT CAN DO GENERAL housework at No. 9 Thirty-third-st. Good wages paid.

WANTED—IMMEDIATELY, A GOOD, RELIABLE German or Scandinavian girl, for general housework; must be a good washer and ironer. 149 Twenty-fifth-st.

WANTED—A COMPETENT GIRL FOR GENERAL housework; must be a good washer and ironer. Apply at 858 South Dearborn-st.

WANTED—TWO GOOD GIRLS, ONE THAT thoroughly understands cooking, washing, and ironing, and the other to do up stairs work. Call at 18 Sixteenth-st., between Indiana and Prairie-avs.

WANTED—A YOUNG GIRL TO DO GENERAL housework in a small family. For particulars apply at the bank, 95 West Randolph-st.

WANTED—A GOOD COOK, WASHER, AND ironer at 745 Wabash-av., family of three; wages liberal; good references required; Swede or German preferred.

WANTED—A FIRST-CLASS CHILDREN'S NURSE in a private family where two nurses are kept. 816 Indiana-av.

WANTED—A GIRL WHO UNDERSTANDS FIRST-class cooking, washing and ironing; two in family; references required. 1051 Wabash-av.

WANTED—A GIRL TO ASSIST IN HOUSEWORK during the day. Apply at 1034 Michigan-av.

WANTED—GIRL; MUST BE FIRST-CLASS COOK and laundress; good wages. No Irish wanted. 1234 Prairie-av., near Twenty-sixth-st.

WANTED—A GOOD TIDY GIRL TO DO GENERAL housework. Small family. Good home for the right person. Call to-day at 517 Wabash-av.

WANTED—ONE GOOD ASSISTANT ORDER Cook (female), and four kitchen girls, at the HOLLY TREE, corner Market and Washington-sts.

WANTED—A GOOD COOK, WASHER, AND ironer, in a private family. Apply at 44 South May-st., between Madison and Washington.

WANTED—A GERMAN COOK, WHO UNDERstands washing and ironing, in a German private family. 3 girls constantly kept. 567 Wabash-av.

WANTED—A GIRL TO DO GENERAL HOUSEwork in a small family at 324 West Madison-st., up-stairs.

WANTED—AT 169 LINCOLN-AV., NORTH SIDE, a girl to do general housework in a small family.

WANTED—TWO GERMAN GIRLS (SISTERS) FOR minister's family; cook and laundress for ladies' boarding-school. Girls wanting employment must bring references. 126 West Monroe-st. STAR EMPLOYMENT OFFICE.

WANTED—AT 14 NORTH GREEN-ST., A GIRL to do plain sewing and run a Singer sewing machine.

WANTED—A GIRL TO COOK, WASH, AND IRON, at 169 Lincoln-av., North Side.

Seamstresses.

WANTED — IMMEDIATELY — A FIRST-CLASS trimmer and finisher on dresses, at No. 537 Wabash-av.; also an apprentice girl.

Miscellaneous.

WANTED—A COMPETENT WOMAN TO TAKE washing home; must have references. Call from 9 to 12, at 372 West Washington-st.

WANTED—LADIES AND GENTLEMEN OUT OF employment, with little capital, can make good salaries. Goods new; no competition. 118 East Washington-st., Room 30.

WANTED—TO BOOK-FOLDERS—TEN EXPErienced hands; also, six girls to learn. Apply at office and bindery, southwest corner Wood and Tyler-sts.

WANTED—TEN EXPERIENCED PAPER BOX makers (girls), at 14 North Halsted-st. A. ARMHEIM & CO.

PARTNERS WANTED.

PARTNER WANTED—WITH $2,000 CASH, TO ENter into an established, legitimate, and honorable business which pays from $15 to $25 per day, this is no humbug, and no patent; only such as have the ready cash need apply to JOEL K. FINLEY, 64 Desplaines-st.

PARTNER WANTED—MUST BE A FIRST-CLASS tinworker, with $2,000 or $3,000, in an established manufacturing business. Address L 43, Tribune office.

PARTNER WANTED—IN THE GREEN WILLOW House Dining Rooms, where a little sure money is saved up every day. 29 West Adams-st.

AGENTS WANTED.

AGENTS WANTED—MEN OF ENERGY AND business capacity can make $10 to $30 a day with our goods. We offer rare inducements to men of the right stamp, and want no other sort. MERRILL & CO., 25 West Lake-st.

AGENTS WANTED—IN EVERY TOWN TO SELL my double rubber moulding and weather strip; large discounts made to live men. A. C. BROWN, 397 West Lake-st.

AGENTS WANTED—FOR THE CITY AND COUNtry to sell an article needed in every house; good canvassers can make easily $150 per month. Address ELASTIC BROOM CO., 23 South Canal-st.

AGENTS WANTED—PROFITABLE EMPLOYment. We wish to employ gentlemen and ladies to solicit orders for the celebrated Improved Buckeye Shuttle Sewing Machine. Stitch alike on both sides. It will stitch, hem, fell, tuck, cord, bind, braid, gather, and ruffle,—and sew from the finest nainsook to beaver overcoatings and leather. For further particulars, address W. A. HENDERSON & CO., Cleveland, Ohio, or St. Louis, Mo.

AGENTS WANTED—IN EVERY COUNTY OF THE State, to sell the Mica Chimney. Large profits and heavy sales are made by agents already out. Call or apply to RIPLEY & CO., 25 Lumber Exchange, corner of Franklin and Water-sts.

HOUSEHOLD GOODS.

FOR SALE—RARE CHANCE—A LOT OF HOUSEhold furniture. Call on or address A. BROWN, 690 West Indiana-st.

FOR SALE—THE FURNITURE OF SIX ROOMS. Inquire at 150 North Desplaines-st.

PARTIES WISHING TO DISPOSE OF FURNITURE, carpets, and household goods, or merchandise of any kind, for cash or on commission, apply to J. H. PIKE & CO., Auctioneers and Commission Merchants, office 45 South Carpenter-st., or salesroom, 751 West Lake-st.

DIVORCES.

DIVORCES LEGALLY OBTAINED. FEE AFTER decree; scandal avoided; nine years' practice in the courts of Chicago. Address P. O. Box 1037.

SITUATIONS WANTED—MALE.

Bookkeepers, Clerks, &c.

SITUATION WANTED—BY A GENTLEMAN AGED 26, as bookkeeper or assistant. Address W. DANGERFIELD, Post Office, St. Paul, Minn.

SITUATION WANTED—AS BOOKKEEPER OR assistant bookkeeper, by a young man from Springfield, Ill. Will give good references. Address X 41, Tribune office.

SITUATION WANTED—BY A YOUNG MAN OF good character, either in a wholesale hardware or spice house; can come well recommended. Address J C, care Hatch House, Chicago.

SITUATION WANTED—A YOUNG MAN WHO HAS been connected with a prominent wholesale hat, cap, and fur house for the past three years, will be open for an engagement Jan. 1; has a thorough knowledge in every branch of the above business; has an extensive acquaintance throughout the Northwest, and will engage as salesman to travel or wait upon trade in house. Refers to present employers. Address F 53, Tribune office.

SITUATION WANTED—IN A GOOD CLOTHING house, by an experienced salesman. Refers to last employer. Address S 80, Tribune office.

SITUATION WANTED—AS BOOKKEEPER FOR A reliable, competent, and experienced man—middle aged. Wholesale hardware or manufacturing business preferred. Address J. W. TUTTLE, 80 South Water-st.

Trades.

SITUATION WANTED—BY A YOUNG MAN, AS watchmaker, or watchmaker and assistant in a jewelry store. Is fully competent to do all kinds of watch work, and will make himself generally useful. Address, for two days, S 62, Tribune office.

SITUATION WANTED—A YOUNG MAN WHO speaks Danish, German, and English, wants to learn the furniture trade. Apply at 236 Holt-st.

SITUATION WANTED—BY A FIRST-CLASS MAchinist as engineer. Call or address 66 North Wells-st.

Miscellaneous.

SITUATION WANTED—A MECHANICAL draughtsman, experienced and good calculator, desires permanent situation. Address J. D., 541 South Halsted-st.

SITUATION WANTED—BY A MAN (GERMAN) who thoroughly understands the grocery business; also the care of horses; has got the best of city references, and can influence some trade. Address H 52, Tribune office, for 3 days.

SITUATION WANTED—BY A YOUNG MAN IN some boarding house where he can wait on table for his board and attend school. Address Z 97, Tribune office.

SITUATIONS WANTED—FEMALE.

Domestics.

SITUATION WANTED—AS CHAMBERMAID OR nurse by a young Protestant girl; good references. Apply at MRS. BATES' office, 10 Peck-court.

SITUATION WANTED—BY A FIRST-CLASS COOK, in a boarding house; also for a second girl. Address V 46, Tribune office.

SITUATION WANTED—BY RESPECTABLE young girl, in quiet family; will do up-stairs work or second work. Call at 191 West Sixteenth-st., between Halsted and Union-sts.

SITUATIONS WANTED—BY TWO RESPECTABLE girls, one as cook and the other as up-stairs girl, in a private family or boarding-house. Call for two days at 27 O'Brien-st. Good references.

SITUATIONS WANTED—BY TWO COOKS, 25 girls for housework. Call at the Great Western Business Exchange, 141 West Washington-st.

SITUATION WANTED—AS COOK OR LAUNDRESS in private family. Good references given. Inquire at 325 Third-av., for two days.

SITUATIONS WANTED—BY TWO SWEDES IN private family; references, six years in one situation; also another, references, three years in one situation; wants situation in Christian family; one as nurse, wages no object; two experienced dining-room girls, one housekeeper, and fifty girls with references. 126 West Monroe-st., Star Employment office.

SITUATION WANTED—BY A GIRL TO DO SECond work or general housework in a small family. Apply at 348 Southwestern-av., Tuesday and Wednesday.

SITUATION WANTED—BY A GOOD GIRL TO DO general housework. Apply at 8 Nebraska-st., corner Throop.

SITUATION WANTED—BY A RESPECTABLE girl as chambermaid or waitress. Apply at 69 Ewing-st.

SITUATION WANTED—BY A YOUNG GIRL IN a private family to do general housework. Please call Tuesday at 220 DeKoven-st.

SITUATIONS WANTED—BY TWO GIRLS AS second or to do kitchen work in a private family, West Side. References given. Apply at 376 West Polk-st., for two days.

SITUATION WANTED—BY A YOUNG GIRL TO do second work in a small private family in the vicinity of Union Park. Best of references given. Address for 3 days K 97, Tribune office.

SITUATION WANTED—BY A GOOD GIRL AS DINing-room maid or cook. Please call or address 338 West Washington-st.

SITUATION WANTED—AS COOK, WASHER, AND ironer in a private family. None others need apply. Call at 14 Arnold-st., between Seventeenth and Eighteenth-sts.

SITUATION WANTED—BY COMPETENT NURSE. Has been in a first-class family. Would like to take care of a child. Apply at 155 Chicago-av.

SITUATION WANTED—AS KITCHEN GIRL OR general housework in a small family. Call at 259 South Halsted-st.

Seamstresses.

SITUATION WANTED—A YOUNG LADY WISHES to do dressmaking in a few private families; is a first-class fitter. Call or address 271 West Lake-st.

SITUATIONS WANTED—BY TWO RESPECTABLE ladies from Norway. They fully understand dressmaking, millinery, knitting, and embroidering. Please call or address 229 West Chicago-av.

Housekeepers.

SITUATION WANTED—AS HOUSEKEEPER BY a widow lady having a child, a boy 3 years old; a widower's family preferred. Address M 80, Tribune office.

Miscellaneous.

SITUATION WANTED—BY A YOUNG, HEALTHY woman as wet nurse. Call at 156 Third-av.

SITUATION WANTED—BY A LADY OF THREE years' experience in an office, employment as copyist, letter writer, or assistant bookkeeper. Salary moderate. Best of references. Address L/R, 83 Aberdeen-st.

FINANCIAL.

I WILL PAY CASH FOR ADJUSTED CLAIMS IN the bankrupt insurance companies. J. H. UNDERWOOD, 81 Exchange Building, Clark and Washington-sts.

MONEY TO LOAN ON REAL ESTATE, ON LONG or short time purchase money. Mortgages wanted. J. C. McCORD & CO., 158 LaSalle-st.

TO LOAN—WANTED, APPLICATION FOR $10,000, 10 per cent., on inside improved property. LOUIS L. PALMER, 94 Washington-st.

TO LOAN—$1,500, FOR FIVE YEARS, ON GOOD Chicago real estate security. Enquire at Room 12, 73 Dearborn-st.

WANTED—A FIRST-CLASS PURCHASE—money notes. Apply at 320 State-st., Room 8.

BUSINESS CHANCES.

BOARDING-HOUSE FOR SALE, FULL OF STEADY boarders; part cash and part trade. Apply at 131 East Madison-st.

FOR SALE—OVER $500 WORTH OF GOODS, AND A business worth $3,000 per annum. Price, $250—only $75 cash, balance from the business. 137 West Washington-st.

FOR SALE—THE NOVELTY IRON WORKS AT Fort Wayne, Ind., containing engine, boiler cupola, blower, and other machinery in complete running order. Established April, 1871. A rare chance for men with small capital. For terms, etc., address ISAAC D'ISAY, Fort Wayne, Ind.

FOR SALE—ONE OF THE FINEST SUGAR PLANtations in the State of Louisiana. See description of the Bringier "Hermitage" Plantation in the New Orleans Picayune.

GREAT OFFER—A LEADING HOUSE IN THE real hair line of New York is willing to give a large stock in commission. Address for two days. H H, Post Office, Chicago.

DRUG STORE IN A CENTRAL LOCATION IN THE city for sale. Inquire of VAN SCHAACK, STEVENSON & REID, Chicago, Ill.

ONE OF THE NICEST LITTLE CIGAR STORES and sample rooms in the city for sale or to let—suitable for lady or gentleman; everything complete, and on terms to suit. Near Post Office and theatre. Apply to H. D. CHAPIN & CO., 50 East Harrison-st.

READ! READ!! READ!!!—BEST CHANCE EVER offered. Soda, mineral water, and bottling factory, with 8 horses, 4 wagons, etc. Price very moderate. Inquire of NOCKIN & FISCHER 16 South Desplaines-st.

RESTAURANT—WITH IMPROVEMENTS—DOING a good business, for sale at a very low figure. No. 8 North Wells-st.

RARE CHANCE—SELDOM MET WITH—A PIANO business, in good running order and with only first-class connections, for sale. Terms easy. Reason for selling, have too much on hand to attend to it. Apply to W 94, Tribune office.

STOCK AND FIXTURES OF A RETAIL FURNIture store for sale, 718 West Madison-st.

THE FIXTURES AND LEASE OF 466 WABASH-av., elegantly furnished, suitable for restaurant, club house or first-class boarding house, for sale at a bargain. Satisfactory reasons for sale. Inquire on the premises.

$400 WILL BUY A HALF INTEREST IN A WELL-established, genteel cash business, paying that amount monthly. 116 East Washington-st., Room 38.

MISCELLANEOUS.

CASH PAID FOR CAST-OFF CLOTHING AND miscellaneous goods of any kind, by sending a letter to I. GELDER, Loan Office, 564 State-st.

HIGHEST CASH PRICE PAID FOR CAST-OFF clothing, old gold, silver, and diamonds of any description of valuables, by sending a letter to ABRAHAM WILKINS' Loan Office, 734 State-st.

MUSIC (PIANO AND VIOLIN) FURNISHED TO private dancing parties. Apply at 30 Willard Place.

M. WIATKOWSKY, DRESSMAKER, IS AT HIS old place, dress cutting, fitting, and making at short notice, at 501 South Morgan-st., near Blue Island-av. Dress made without fitting.

NOTICE IS HEREBY GIVEN TO ALL PARTIES concerned that the merchant tailoring business heretofore carried on at 26 West Madison-st., will, from and after this date, cease to be conducted under the name of McIntyre & Richards. Mr. J. B. Richards is entitled to all the assets and claims due on account of said business, and will settle all the debts of the same. Chicago, Dec. 2. Signed JOHN McINTYRE, JOHN B. RICHARDS. Mr. J. B. Richards desires to thank his friends and customers, and would be happy to see them at the old stand, 26 West Madison-st.

REMOVAL—CHACE & ABELL, DEALERS IN real estate, can be found in their new office, 134 Dearborn-st., Honore Block, on and after Dec. 2.

WANTED—IF YOU WANT TO GO WITH US TO Colorado, where you can get a good home and good wages through the winter, now is your time. Our present liberal rates of transportation will continue only a few days longer. Office, 289 West Madison-st. D. S. GREEN, General Superintendent Southwestern Colony.

WANTED—1 SECOND-HAND WATCH MAKER'S sign; also one show case about 9 feet long. Inquire at 74 West Van Buren-st., this day. MARBLE.

WANTED—WORKINGMEN TO BUY THEIR tickets South at half rates. FERNANDO L. L. SCHARLACH & CO., Room 3, 36 North Canal-st., up stairs.

MACHINERY.

FOR SALE—AT A DECIDED BARGAIN, A vacuum pan and air pumps. Inquire of A. T. EWING, 511 Wabash-av.

FOR SALE—CHEAP—A 12-HORSE PORTABLE engine, running. GRADLE & STROTZ, 63 South Jefferson-st.

TREASURY REPORT.

[Continued from the Fifth Page.]

cost of a suitable site, I have declined to proceed further without additional authority from Congress, it being clear that it is impossible to procure land and erect a building for the sum specified in the act.

Similar circumstances have prevented the purchase of land for a public building at Cincinnati.

MORE ROOM WANTED.

The increase of books and papers not in daily or frequent use is so great as to interfere with the business of the Department. The annual accumulation requires 7,688 cubic feet of space for storage. All the available rooms in the building, including some that might be used for clerks' desks, and portions of the public halls, have been given up for the deposit of such books and papers, and the time has come when other provision should be made. I therefore recommend the erection of a fire-proof building upon the public grounds south of the Treasury sufficient for storage and the Bureau of Engraving and Printing. The relief which these changes would afford is essential for the proper transaction of the business of the Treasury Department.

COAST SURVEY.

The operations of the Coast Survey, as well as those of the Light House Board, appear to have been economically and efficiently managed.

THE REVENUE MARINE

consists of 27 steam and 6 sailing vessels, carrying 45 guns, and manned by 198 officers and 940 men. This service has constantly improved in efficiency and in the economy of its management since the summer of 1869. At that time a Commission was appointed for the general and professional examination of all the officers employed, and upon their report 39 were discharged, and those who were approved were assigned to duty, and given rank according to their merits. From that time to the present vacancies in the service have been filled after an examination, and by those found to be best qualified. At the same time, a Commission was appointed for the entire revision of the service. Their report was submitted to Congress on the 18th of May, 1870, (Ex. Doc. 93, Forty-first Congress, second session.) The vessels then employed were of a total of 9,598 tons. A reduction has already been effected of 657 tons. The vessels now building, and authorized, will work a further reduction of 1,322 tons, making an aggregate reduction of 1,979 tons.

The cost of maintaining the revenue marine has been reduced from $1,293,661.67, in 1868, to $930,249.81 for the year ending June 30, 1872. A statistical table, prepared from the returns, shows the essential parts of the duties of assistance rendered to vessels, seizures made, number of vessels examined, and number of lives saved upon the ocean and lakes. The work performed during the last fiscal year is nearly twice as great as the average of the ten preceding years.

Under existing laws, the officers and seamen of the Revenue Marine are entitled to a pension only when they have been wounded or disabled in the line of duty, and whilst co-operating with the navy during the war, and to the rate established by the act of 1814. When it is considered that this service is constant, and that, from the 1st of November to the 1st of April in each year, the vessels are required to cruise along the coast, or near the land as possible, within their respective districts, and not to make a port, except for supplies or under the pressure of positive necessity, it is clear that their services are not less hazardous than those in which the navy is engaged in time of peace. I therefore recommend that the Navy Pension laws be made applicable to the officers and seamen of the Revenue Marine. The number of the commissioned officers is limited by law, and each year a few of those who are disqualified by sickness, or unfitted by age for active duty. The hardship resulting from the dismissal of officers under such circumstances is so great that I have declined to exercise a power, which I may, perhaps, in contemplation of law, have a duty, but in view of the fact that their compensation is small, and the nature of service such as to bring disease and the infirmities of age upon them prematurely, I think it a plain duty for the Government to provide a retired list, so that the active service may be supplied constantly with able and efficient men.

LIFE BOATS, ETC.

From the appropriation of $300,000, made April 20, 1871, for more effectually securing life and property on the coasts of New Jersey and Long Island, seven of the old life-saving stations have been repaired and enlarged, and sixty-one new ones have been built, and new apparatus, sufficient for ordinary use, has been procured for the larger number of them. A station house has been erected and furnished at Narragansett Pier, from the appropriation of $20,000 for the establishment of life-saving stations on the coast of Cape Cod and Block Island, R. I. Nine houses have been erected, on Cape Cod, and one at Block Island, and they will be supplied with apparatus, and ready for use by the 1st of January next. An appropriation is required for the support of the keepers and crews. The Block Island station, and the station at Narragansett Pier, should be annexed to the Long Island district. Twenty-two vessels have been wrecked on the coasts of Long Island and New Jersey since July 1, 1871, valued, with their cargoes, at over $500,000, on which the loss was about $200,000. The officers and crews numbered three hundred and six persons, all of whom were saved, and mainly, it is believed, through the agency of the life-saving stations. I respectfully recommend the extension of the system to the coast in the vicinity of Cape Hatteras.

From the report of the Supervising Surgeon of the

MARINE HOSPITALS

it appears that breach of the public service is in a satisfactory condition. During the last fiscal year 18,156 patients were treated in the several hospitals of the country, at an average cost of about 97 cents each per day, or a total expenditure of $466,263.11, against a total expenditure of the preceding year of $483,089.42, or an average cost per patien of $1.04 per day. The increased receipt and diminished expenses for the last fiscal year, as compared with the year next preceding, show a net gain to the Government of $56,819.21. During the same period the number of districts in which relief was furnished was greater than ever before, and the salaries of medical officers at several of the principal ports were increased. The financial improvement shown is due largely to a more careful scrutiny of the applicants for relief, to the rejection of those who were not entitled under the law, and also to the greater vigilance in collecting the hospital dues. The law limits the charges for relief to seamen belonging to foreign vessels to seventy-five cents a day, while the actual cost is nearly one dollar. Authority should be given to the Secretary of the Treasury to fix the charge within certain limits, according to the expenses incurred at the hospital and where relief is furnished.

I renew the recommendation heretofore made for the erection of pavilion hospitals at New York, San Francisco, and Pittsburgh. The increase of railway and general business in the vicinity of the hospital at Pittsburgh has rendered it unfit for further use. The supervising surgeon recommends the erection in future of pavilion hospitals of wood, with the understanding that after ten or fifteen years use they are to be destroyed and new ones built in their stead. This recommendation appears to be wise, being at once economical for the Government and advantageous to the patients.

STEAMBOAT INSPECTION.

The act of Feb. 28, 1871, to provide for the better security of life on board of vessels propelled in whole or in part by steam, has not been in operation a sufficient time to test its value in all respects, but the result, in the main, is satisfactory. The Supervising Inspector General, in his annual report, recommends several alterations in the law, not affecting its character literally. A bill will be prepared, providing for such alterations as, upon further consideration, shall seem expedient.

CONSOLIDATING THE NAVIGATION AND CUSTOM LAWS.

On the 16th day of May, 1872, I transmitted to Congress a bill entitled "a bill to amend and consolidate the Navigation and Coasting laws of the United States," together with a communication explaining the character and purpose of the measure (Ex. Doc. 209, 42d Congress, second session). I respectfully ask the attention of Congress to the bill and reasons for it. The attention of the public is turned naturally to the future financial policy, which must rest upon the past and the present. The war caused three great changes in business and financial affairs that have received the careful consideration of the American people.

First. The country was compelled to impose heavy custom duties on merchandise. Thus, and without general observation, and without argument upon the principles involved, the nation entered upon a broad system of protection.

Second. The Government issued Treasury notes for general circulation as currency, and prohibited banks of issue by State authority.

Third. A system of National Banks was established, and their circulation protected by the national credit.

The wisdom of the measures, speaking generally, has been established, and, subject to such changes as the changing condition and opinions of the country and people may demand, they will remain a part of our public policy until the financial consequences of the war disappear. The weight of the National debt has been so great that for more than ten years there has been no opportunity for the practical discussion of the doctrines of protection and free trade, and in that long period of an unchanged

PROTECTIVE POLICY,

incident to the burdens of the war, the nation has advanced rapidly and safely in the development of its national resources. Anticipating a continuance of peace, we may also anticipate a general reduction in the percentage of Customs duties. This reduction, however, should not be measured solely by the wants of the Treasury, but regard should be had also to the condition of the various branches of industry in which the people are engaged, in the presence of the fact that the leading pursuits of the country are stronger than ever before in the possession of adequate capital and a supply of intelligent laborers, there may be a moderate reduction, from time to time, in the rate of duties, as the diminishing expenses of the Government shall permit, without either alarming capital or injuring labor. For the purposes of Government, the principles of political economy are national, and not cosmopolitan. A nation that can produce a given article at less cost than it can be produced elsewhere, may wisely accept free trade in it. But a nation having national advantages for its production, yet destitute of skill in the incipient art or trade, must wait for the opportunity that sometimes comes from the calamity of war, or secure a more economical and a more constant support in the policy of its Government. If average natural facilities exist, the period of necessary protection is as a short time compared with the lifetimes of a nation, while the advantages gained can never be wholly lost. But if reasonable natural facilities do not exist, then a system of duties for protection is a present and future burden without adequate compensation. So varied and rich, however, are the natural resources of the United States, that we either are, or may soon, be in successful competition with the older and more experienced countries of the world in the production of the chief articles of personal necessity, comfort and luxury of the machinery by which those articles are produced or obtained. Hereto is sufficient justification for the existing protective system, and for its continuance during the transition period. Nor is the prospect of ultimate successful competition with other countries disturbed by the circumstance that wages of labor are higher in this country than in those of Europe. Years since it was the thought of many that the only way to a successful contest with Europe was to the reduction of the standard of wages. That thought has disappeared, probably, in presence of the fact that higher wages on this side of the Atlantic have stimulated emigration, until there is a near approach to equality in the cost of labor, and of the convincing fact that the addition thus made to the number of laborers has only aided in the development of our resources without yielding in any quarter an excess of products, or retarding in any degree the prosperity of the laboring population. This prosperity on their part is associated with a higher and constantly improving intellectual and social culture and condition. It being given that an intelligent person has all the special knowledge of an art or trade possessed by the most experienced and best trained operative, who, outside of this special training and experience, is unintelligent, and machinery being given also, the intelligent person proceeds to improve and simplify the methods of production to such an extent that an addition to his wages, even 100 per cent, represents but a small part of the advantage gained. Yet the special training and knowledge of the ignorant man is the basis of the improvements made. This truth considered, first, with reference to a single American laborer, and then multiplied a hundred thousand times, represents the advantage of a hundred thousand times, represents the advantage of America over Europe and Asia, in their contest for national, peaceful supremacy in the affairs of the world. Thus is America solving the industrial problem of the ages, by extracting cheap production from expensive labor. The reason for these remarks may be found in the opinion I entertain, that the tariff system of the country has contributed largely to the general prosperity, and that such general and continued prosperity is the only basis on which, even a wise financial policy can rest.

CURRENCY.

In discussing the other changes caused by the war issues of the United States notes and of notes by the National Banks, they should be considered together. Indeed, they are necessary parts of our financial system. Neither can be substituted for the other without general disturbance nor for the State bank system, nor to any system of private banks, while the substitution of an equal amount of United States notes as currency would be the cause of additional evils and losses. First, the National Banks hold nearly $400,000,000 of United States bonds, which otherwise would be thrown upon the market, absorbing domestic capital, or if purchased abroad, adding by the amount of interest to the annually increasing balances against us in our account current with other countries.

Second, one office of a bank is to aggregate the capital of small possessions, and thereby to furnish means in gold of important commercial and financial undertakings, not only at the centres but in the remote and newly-settled parts of the country.

Third. The National Banks are used as aids to the Government, which otherwise would require a large increase in the number of the designated depositories, and a proportional increase of the public expenses, without the least appreciable advantage.

Fourth. They facilitate exchange between sections of the country, and thus diminish the cost of commercial transactions.

Fifth. They are generally less disposed than private parties controlling equal capital to demand exorbitant rates of interest.

If I does not follow from these views, nor would it follow from those of a similar character, which might be presented, that the system is perfect, nor does it follow that the issue of notes directly by the Government should be thereby forbidden, and the business of furnishing a currency yielded to the National Banks.

The circulation of each bank is fixed arbitrarily by a rule of law. The aggregate circulation is therefore a fixed sum, and consequently there is practically no reserve to meet the increased demand for money occasionally due to extraordinary events at home or abroad, and arriving occasionally with the incoming of the harvest.

The old State Bank system is sometimes commended for a quality termed "elasticity," but that quality as found in that system was the principal source of financial disasters. Under that system in the supposed case of present demand for gold, there was practically no limit to the issue of a paper currency. The increase of the circulation was attended and followed by an advance in prices; excessive importations, a commercial demand for coin drawn from the banks to meet balances abroad, a simultaneous reduction of the paper currency, and the consequent distrust of merchants and bankers. As the circulation of a bank is a source of profit, and as the managers are usually disposed to oblige their patrons by loans and accommodations, it can never be wise to allow banks and parties, who have pecuniary interests at heart, to increase or diminish the volume of currency in the country at their pleasure, nor do I find the condition of things a law or rule on which we can safely rely. Upon these views I form the conclusion that the circulation of the banks should be fixed and limited, and that the power to change the volume of paper in circulation within the limits established by law, should remain in the Treasury Department.

A degree of elasticity in the volume of currency is essential for two reasons:

First. The business of the Department cannot be transacted properly if a limit is fixed to the power to raise the circulation above or reduce below that limit is denied. A rule of this nature would compel the Secretary to accumulate a large currency balance and to hold it, as otherwise the credits of the Government in meeting the ordinary claims on it would be at the mercy of every serious business and political revolution in the United States or Europe. Especially would this be true now that our ordinary currency expenditures are greatly in excess of our currency revenue.

Secondly. There is a necessity every autumn for moving the crops without delay from the South and West to the seaboard, that they may be on hand for export and consumption as wanted. This work should be done in the main before the lakes, rivers, and canals are closed, and yet it cannot be done without the use of large amounts of currency. The summer crops have funds accumulate at the centres, but the revival of business in August and September gives employment for large sums, and leaves little or nothing for forwarding the crops in October and November. Nor would this difficulty be obviated by a permanent increase or a permanent reduction of the volume of the currency. The difficulty is due to the natural order of things, and increases with the prosperity of the country. As shown in the abundance of its harvests, the crops cannot be moved, generally, by the aid of bank balances, checks, and letters of credit, but only by bank notes and United States notes, paid at once to the producers. This money finds its way speedily into the channels of trade, and to the commercial centres, but if it be allowed to remain for general use after the reason for its issue has ceased, the volume of currency would be increased permanently, and the year following the same process would be repeated, with the same result, and thus would the country depart more and more widely from the policy of resumption.

The problem is to find a way of increasing the currency for moving the crops, and diminishing it at once when that work is done. This is a necessary work, and, inasmuch as it cannot be confided to the banks, where but in the Treasury Department can the power be reposed? While the currency revenue was in excess of the currency expenses, it was practical to accumulate large balances in the Treasury during the summer, to be used, if necessary, in the purchase of the bonds in the autumn, thereby meeting the usual demand for currency at that season of the year. Hereafter such accumulation must be made by the sale of gold, and the sale of gold in large quantities during the summer, when business is the least active, may not always be consistent with the best interests of the country. Reliance cannot, therefore, be placed upon the ability of the Treasury to accumulate a currency balance each year for the purpose indicated.

The second argument in favor of the currency composed in part of United States notes and in part of National Bank notes, is strengthened by the aid which may thus be furnished in resuming and maintaining

SPECIE PAYMENTS.

In the view I am now about to take, I exclude the idea that the Government will ever abandon the issue of National Bank notes and undertake the issue of United States notes in their place. The result of such a policy may be foreseen. The people, deprived of the facilities for business afforded by bank loans, would seek relief through State institutions, and, without much delay, Congress would concede to them the right to issue notes for circulation. This concession would be followed by a surrender by the General Government of all control over the paper circulation of the country. The true policy will be found in continuing the national banking system, without, however, yielding an increase of its issue in proportion to the volume of Government paper in circulation.

There are two effectual and certain ways of placing the country in a condition when specie and paper will possess the same commercial value. By diminishing the amount of paper in circulation, the difference between the commercial value of paper and coin will diminish, and by pursuing this policy the difference will disappear altogether. All legislation, however, limited in its operation to the paper issues of the banks and of the Government, whether bearing interest or not, and which in effect shall tend to diminish the market value of coin, will be found upon analysis to contain a plan for controlling the volume of paper currency, and all legislation so limited, which does not contain such a plan, will prove ineffectual. Accepting this proposition, and I hereby that the country is not prepared to sanction the policy of contraction, it only remains for me to consider the means by which the value of our currency may be improved. The basis of a policy of improvement must be found in a steady refusal to add to the paper in circulation, until it is of the same value substantially as coin. This being accepted as the settled purpose of the country, there can be no permanent increase of difference between paper and coin, and an opportunity will be given for the influence of national causes tending upon the whole to a better financial condition. We may count first among these the increase of population and its distribution over new fields of business and labor. Secondly, in the fourth especially, the number of persons having property and using and holding money will increase. Next, we may anticipate more general use of paper in Texas and the Pacific States, by which, practically for the rest of the country, the volume of paper will be diminished and the quantity of coin increased. Two facts tending to produce an equality of value in the influence of these natural causes will be commercial in some degree by the increasing facility for the transfer of money from one point to another, and by the greater use of bank checks and certificates of deposit. The rapid transit of merchandise in bringing the period of its consumption nearer to time of its production is an agency of a similar sort. Giving these views their full weight, I am prepared to say that the experience of the last three years coincides with the best judgment I can form, and warrants the opinion that, under the influence of existing natural causes, our financial condition will gradually improve.

During the last fiscal year there were several circumstances tending to counteract the natural course of affairs. Our exports of cotton fell off thirty-seven million dollars, and there were excessive imports of wool, tea, coffee, and sugar. The stock of wool in warehouse on the 30th of June was sufficient for six months' consumption; of sugar, for four and a half months; of coffee, for five months, and after for twelve months. In the ordinary course of trade, the importation of these articles will be small during the current year, with a consequent favorable effect upon the balance between this and other countries. This anticipation of the wants of the country, in connection with the decrease of our exports augmented the balance of trade; created an active demand for coin and advanced the price. Notwithstanding these adverse influences, gold has averaged substantially the same premium from Jan. 1 to Nov. 1, of the present year, and for the corresponding period of 1871.

Not doubting that natural causes will in time produce the result sought for, it is yet advisable to bring the power of the Government in aid of the movement as far as practicable. The revival of our commerce is one instrumentality, and, perhaps, the most efficient one of all.

The imports of American vessels were $20,000,000 instead of $30,000,000, the difference in the amount of exchanges available abroad would meet a large part of the adverse balance on any ordinary year. The experience of Europe tends to show that the ability of a country to maintain specie payments is due largely to the condition of its foreign trade.

Next, every measure which increases or improves the channels of transportation between the seaboard and cotton and grain growing regions of the country, or lessens the costs of freights, adds something to our capacity to compete successfully in the markets of the world. Finally, those measures which encourage American manufactures, especially of iron, wool, and cotton, and discourage the importation of like products, affect favorably the balance of trade and help us towards the end we seek. This statement in these words is a general statement of a policy that, in my opinion, will aid the country in reaching a condition where it will be practicable to resume and maintain specie payments. Anticipating that day, I anticipate also that the burden of resumption will rest upon the Government.

There are now more than nineteen hundred banks in the country, and I cannot imagine a condition of things so favorable, for a period of years, as to enable them, at all times, to redeem their notes in specie only.

Without proceeding to the discussion of the subject in detail, I think that all will have been gained that is of value when the Treasury shall be prepared to pay the demand notes of the Government in coin, and the banks shall be prepared to pay their notes either in coin or in legal-tender notes, and then our good fortune will clearly appear in this, that our paper currency is not exclusively of National Bank notes, nor exclusively of United States notes.

(Signed) GEORGE S. BOUTWELL,
Secretary of the Treasury.

To the Hon. James G. Blaine, Speaker of the House of Representatives.

WALL STREET.

Review of the Money, Gold, Bond, Stock, and Produce Markets.

Special Despatch to The Chicago Tribune.

NEW YORK, Dec. 2.—The Wall street markets were not affected by the President's message, the document in full not reaching the public until late this evening.

Money was more stringent, call loans from 7 to 1-32. Mercantile paper is still quoted at 10 @12.

FOREIGN EXCHANGE

opened quiet, but the demand in the afternoon advanced the rates from ¼@¾.

GOLD

quiet at 112⅞@113.

STOCKS.

The stock market opened active and advanced, Pacific Mail and Northwest in the lead. The afternoon's stringency in money caused a reaction and most of the advance was lost.

GOVERNMENT BONDS

closed firm.

INSURANCE.

Life insurance officials are somewhat excited to-day over the announcement made by one of the oldest and strongest companies in New York, that its profits for thirty years warrant a reduction in the rates hereafter, of 20 per cent.

The Corn Exchange Fire Insurance Company has gone into the hands of Receiver, making the fifth company of this city to succumb to the Boston fire.

PRODUCE.

Flour quiet but firm; the stock on hand is so much below that of last year that holders decline to make concessions. Good superfine salable and in moderate supply. Choice Minnesota higher and scarce. The market closes firm. Wheat opened quiet, but is generally held higher. Canal navigation has probably closed for the season. The quantity of wheat *en route* and on hand here is unusually limited for the season. The market closes steady and quiet. Pork quiet, at about $15.00 on the spot. Cut meats steady for bellies; pickled hams weak; bacon quiet. Lard dull and weak.

HORACE GREELEY.

Preparations Being Made for the Obsequies To-morrow.

NEW YORK, Dec. 2.—Elaborate preparations are making for the services at Dr. Chapin's Church on the occasion of Mr. Greeley's funeral. Miss Kellogg and other leading singers have offered their services to the choir. The church will be draped in mourning.

Mayor Hall yesterday sent the following telegram to the Secretary of the Navy:

NEW YORK CITY, Dec. 1.

To Secretary Robeson, Washington:

Having the honor of your personal acquaintance, I telegraph you to say that the civil authorities will join the private societies and citizens in a public funeral on Wednesday from the City Hall to the late Mr. Greeley, and the idea is universal that the President should attend, and the authorities hereby respectfully invite him. His attendance would popularly be regarded as the most magnanimous, graceful, and faction-assuaging event of the century.

(Signed) A. OAKEY HALL, Mayor.

Secretary Robeson to-day sent the following reply:

WASHINGTON, Dec. 2.

Hon. A. Oakey Hall, Mayor of New York City:

Your telegram was received last night. The President had determined, as early as last Saturday, to attend Mr. Greeley's funeral, if the day fixed should be one on which he could properly be absent from the Capital. He is still of the same mind, and will attend on Wednesday if his public duties, growing out of the assembling of Congress, will permit.

(Signed) GEO M. ROBESON.

The Common Council to-day adopted resolutions eulogizing Mr. Greeley, and setting apart the Governor's room in the City Hall as the place where the body will lie in state to-morrow; that members of the Council attend the funeral in a body, and wear mourning thirty days; that the flags on the public buildings be displayed at half-mast, and that vessels in the harbor and private citizens be requested to do likewise.

The following gentlemen named are guard of honor over the remains: John A. Dix, Wm. F. Havemeyer, Thurlow Weed, Geo. W. Varhan, W. Butler Duncan, A. T. Stewart, Abraham R. Lawrence, Horatio Seymour, Wm. J. Hoppin, Wm. Cullen Bryant, Henry Nicoll, Peter Cooper, W. B. Astor, John McKeon, Samuel J. Tilden, Sheppard Knapp, John T. Hoffman, A. Oakey Hall, Moses H. Grinnell, Charles O'Conor, Emil Sauer, Augustus Schell, William M. Evarts, C. P. Daly, and William C. Prime.

A Committee has been appointed to request General Shaler to furnish a proper military escort for the President on his arrival.

The representatives of the various societies will form a guard of honor to co-operate with the Committee of Citizens.

The compositors of the *Tribune* to-day adopted resolutions of respect to the memory of Mr. Greeley. The Brooklyn City Council also framed a tribute to his memory.

The Wilson Sewing Machine.

"The cheapest and best Sewing Machine now manufactured for family use is probably the New Wilson. We certainly would use no other. It works with equal facility on muslin, cloth, cambric, tarletan, flannel and leather. It does not paralyze the spine or wear out the operator in any way, neither does it demand an incessant stoppage to find out where the difficulty is. There is no difficulty. It runs smoothly and evenly, hems, fells, tucks, gathers and binds. It does the finest and most beautiful work on cambric and linen. It also has the merit of being cheaper than any other first class sewing machine, as it can be purchased for $50. The feeding device is an improvement on all other machines, and is a special patent of the Wilson. It does not get out of order, nor break needles, nor slip, nor pucker the cloth. A complete has the Wilson Sewing Machine been made, by a skilful combination of brain and muscle, that it has left nothing to be desired." Salesroom at No. 378 West Madison street Chicago, and in all other cities in the United States. The company want agents in country towns.

For the Ladies.

One thousand pieces all wool Cashmere at 75 cents—cost over $1 to import. A few mink sets at about half price. A fine brocaded mohair poplin at 44 cents—same goods now retailed at 85 cents at other stores. Also now opening a beautiful line of cloaks, shawls, etc., at very low prices. Over fifteen hundred cases of assorted winter dry goods will be opened in the next few days, bought for cash, and will be sold at astonishing low prices. C. W. & E. Partridge & Co., Nos. 118 to 124 State street, near Madison; Nos. 284 and 286 West Madison street, and No. 942 State street.

Opening of the New Short Line to Dubuque.

On and after Sunday, Dec. 1, 1872, through cars to Dubuque, via. C. & N. W. R. R and Clinton, leave Wells street depot as follows: "Dubuque Day Express," 10:30 a. m., daily (except Sunday). "Dubuque Night Express," with Pullman's drawing room and sleeping car attached, at 10:30 p. m., daily (except Saturdays). This is the shortest and quickest route running through cars between Chicago and Dubuque.

H. F. STANWOOD, General Ticket Agent.
M. HOGARTY, General Superintendent.

The Erie Canal.

OSWEGO, N. Y., Dec. 2.—The weather to-day is mild and rainy. Several propellers have left here for Chicago since the storm, and efforts will be made to get off some grain vessels that have been detained in the Welland Canal by ice through this port.

—Mr. Abbott, of Toledo, Ohio, a gentleman of advanced ideas, is said to be in Rome, acting with the "Liberals," and making himself a common disturber.

OUR RAILWAYS.

Additional and Important Lines Just Opened.

The Iron Rail Laid to Lake Superior.

The Iron Regions Opened Yesterday from Chicago by Rail.

The First Arrival in Chicago Over the Milwaukee & St. Paul.

A New Cut-Off from Jefferson on the C. & N. N. R. W.

The Menominee extension of the Chicago & Northwestern Railway, supplying the link necessary to form a direct all-rail line between Chicago and Lake Superior, was completed yesterday. When it is remembered that the extraordinary demand for iron, and the exhaustion of former sources of supply have caused the heaviest iron manufactures of the country to resort to the Lake Superior region for the ore necessary to keep their furnaces at work, the importance of the new line will be readily appreciated. During the current year, the utmost resources of the Northwestern Company were taxed to transport the half a million of tons of ore shipped from Escanaba up to date. From this item alone, the incomplete Peninsula Division yielded an annual income to the Northwestern Company of $800,000. During the coming year, one firm, not hitherto in the field, contract to ship over 200,000 tons. The shipments, previously suspended during the close of navigation, will now be continued throughout the winter. The line will be opened for business the last of this month, thus saving to the Company the valuable land-grant dependent upon the completion of this line this year.

The branch lines from Stanwood, on the Iowa Division, to Tipton—a distance of 8¼ miles—and from Geneva to Batavia—8 miles—were opened yesterday. The Madison Extension—129 miles long—is nearly completed, and the junction with the West Wisconsin Railroad at Elroy having been effected, a through line to St. Paul, superbly equipped, will be opened in a few days. The extensions and new lines projected and already completed this year add over 400 miles to the Northwestern, giving it a total of about 2,000 miles of road.

FINAL COMPLETION OF THE MILWAUKEE AND ST. PAUL RAILWAY.

The pressure upon our space allows only the brief mention of the important event that Superintendent Merrill and party arrived in this city on the first car through over the new Milwaukee & St. Paul Railway, reaching the present terminus at the Company's new freight house on Kinzie street, greatly satisfied at the result with which the public of both cities have equal reason to be pleased. The new line is laid throughout with steel rails, and is one of the best built,—it will be one of the best equipped,—roads in the United States. The Company have their share of the right of way secured, and it only needs the completion of the action begun by the Pennsylvania Road to bring the Milwaukee & St. Paul cars into the great depot grounds at Madison street, where Superintendent McCullough intends to build the magnificent world's wonder of a passenger house next year. The Milwaukee & St. Paul is no baby railway that will have an infancy and teething experience, but comes in the peer in strength and promise of any line leading out of Chicago. It will not be opened for passenger business for some weeks to come.

NEW RAILWAY CUT-OFF.

The Chicago & Northwestern Railway have nearly completed a new cut-off track, eight miles west of the city, five miles in length, designed to bring the trains of the Wisconsin Division from the old line at Jefferson down to the Galena track, and so into the city on Kinzie street.

THE OUTS AND INS.

The county and city officials recently elected entered upon their duties yesterday. Mr. Joseph Pollak, the

COUNTY CLERK,

elected to fill the unexpired portion of the late Mr. Gindele's term, took charge of the office several days ago, relieving Colonel Wheeler, who was acting *pro tem.* Colonel Niles, the efficient Clerk of the County Commissioners, has been reappointed with the unanimous approval of the Board. Mr. Scott, who distinguished himself during the campaign as Captain of a Third Ward colored club, has received his reward by appointment as copying clerk. These are the only appointments yet made. It is yet to be decided whether Mr. Pollak comes under the provisions of the new Constitution and laws, which would limit his salary to $3,000 per annum, the salaries of his subordinates to be fixed by the County Board, or continues under the old Constitution in force when Mr. Gindele was elected, which would enable him to draw the fees as formerly, and leave him to pay the subordinates as little as he could get them to work for.

THE NEW RECORDER,

Colonel James Stewart, was duly installed as the successor of Mr. Gassette. The latter gentleman left the books wrapped up to the last moment, having kept the employes of the office working day and night during the last week. There was no weeping or wailing at the departure of Mr. Gassette. The lamentations were left unsung, but Mr. Gassette could afford it. He went out a wealthy man. According to his own statement, he made $250,000 in the office, and is worth $400,000 all told. He intends to engage in the real estate and brokerage business, and announced that in two years he would be the successor in Congress of the Hon. J. B. Rice. He was also disposed to take charge of a Chicago base ball club, believing that he could make it a success in every way. It will be seen, therefore, that Chicago has no immediate prospect of losing Mr. Gassette's services in a public capacity. The leave-taking occurred on Saturday night. Mr. Gassette presented most of the clerks with a cigar or two, and some with a supper, and the endearing and tender ties of four long years were tearlessly severed.

Mr. Stewart has appointed Captain John J. Healey Chief Clerk, in the place of Mr. Martin, the only change to occur at present. Mr. Healey has been serving the city as Clerk of the North Side Police Court, where he ably assisted Mr. Kaufman to dispense, or dispense with, justice, as the case might be, and being an apt and intelligent young man, he will soon get the "hang" of his new duties. Mr. Al. LaBrun will remain in charge of the index department, and Mr. Jones of the folio room. These gentlemen have been many years in the office, and are thoroughly acquainted with its routine.

The County Board, under the new law, will fix the number and pay of the subordinates, which will be bear for them. Under the old regime the Recorder paid them out of his enormous fees, and, of course, the cheaper he got the work done the more money he pocketed. Salaries averaged $15 a week all round, and folio writing was done at three cents per hundred words, printed matter not being counted or paid for.

THE CIRCUIT CLERK.

Mr. Jacob Gross succeeds Mr. Gassette as Clerk of the Circuit Court. Mr. Eli Smith, who has been connected with the Courts for many years, will be his deputy.

THE STATE'S ATTORNEY.

Mr. Charles H. Reed entered upon his third term. Having no subordinates, he made no changes, and the office will be run as usual.

THE SHERIFF.

Tim Bradley began his second term. The Judges have decided to do with one less bailiff in each of the six law courts. This will reduce the Sheriff's force. The names of the decapitated will not be known until to-day. Conrad Folz will continue as jailor.

THE CORONER.

Captain John Stephens also began a second term. He expects to have the appointment of a deputy, but will not make a selection until the County Board fixes the compensation.

THE COUNTY COMMISSIONERS

met as a new Board and elected Commissioner Miller President for the ensuing year. The Board will have to elect new officers. Dr. Ehn. Miller, the Superintendent of Public Charities, will undoubtedly be re-elected, his administration of the office being satisfactory to the Board and beneficial to the public. Dr. McCarthy will be a candidate for re-election as County Physician, Mr. Root as County Attorney, and Mr. Dieden as County Agent. The other officials also desire a continuation of tenure. There is a host of new candidates who, being relieved from the onerous duties of the campaign, are ready to serve the county.

THE BOARD OF POLICE

organized by electing Commissioner Reno as presiding officer.

THE COMMON COUNCIL

met last evening, when the new Aldermen—one from each ward—took their seats. The Committees will be chosen by the Mayor during the week and be announced at the next meeting.

FOREIGN.

GREAT BRITAIN.

LONDON, Dec. 2.—An orderly meeting was held in Hyde Park yesterday. Messrs. Odger and Bradlaugh were the principal speakers. A resolution condemning the Public Parks Regulations bill was adopted. A petition was drawn up, asking for the resignation of Commissioner Ayrton.

FRANCE.

PARIS, Dec. 2.—Long Cabinet councils were held yesterday. Thiers finally agreed to remain in the Presidency if the Ministers would withdraw their resignations. The latter consented to do so.

It is reported that Ducrot has been summoned to Versailles to reply to the accusation that he is preparing his troops to act hostile to the Government in case of the crisis. The *Debats* says: The fact that Ducrot is in possession of an important command is not reassuring to those fearing a coup.

POLITICAL.

The Greeley Electoral Vote.

Special Despatch to The Chicago Tribune.

NEW YORK, Dec. 2.—The *Tribune's* proposition, that the Electoral votes of the six States electing the Liberal ticket shall now be cast for Grant, is not seconded by any other journal here.

The Post suggests that they be awarded to O'Conor and Adams.

The *Express* says they should be given to some undeniable representative of the Cincinnati platform.

The *Sun* says the work of the Cincinnati Convention must be respected, and its ballots demand that the six States should vote for Gratz Brown for President, and his nearest competitor, G. W. Julian, of Indiana, for Vice President.

The *World* would not object to a Democrat like Hendricks receiving them.

NEW YORK, Dec. 2.—The following has been received from the Chairman of the National Democratic Committee:

HEADQUARTERS NATIONAL DEMOCRATIC COMMITTEE, NEW YORK, Dec. 2.

The National Democratic Committee do not regard it as within the scope of the authority delegated to them to advise the Electors of the several States who favored the election of the candidates nominated at the Baltimore Convention as to the course which they shall pursue in view of the death of Horace Greeley. Such a contingency was unprovided for by the action of the Convention. Succeeding Conventions will, without doubt, make provision for a similar contingency, and, as no practical result can follow the establishment of a precedent by this Committee, it is deemed unadvisable that this Committee should make any recommendation to Electors.

(Signed) AUGUSTUS SCHELL,
Chairman National Dem. Com.

Ethan Allen, late Chairman of the Liberal Republican National Committee, requests the Electors of the States giving majorities for Greeley, to cast their votes for Grant for President, and Brown for Vice President.

John Cochran, late Chairman of the New York Liberal Republican State Committee, concurs in the request.

CINCINNATI, O., Dec. 2.—The *Commercial*, this morning, in an article on the casting of the vote for the President by the Greeley electors, says in relation to the voting for Grant: "In any event, the South is not likely to lose anything influences. Graham endeavored to shift all the by evil sion event was unprovided for by the action of the Convention. Succeeding Conventions will, without doubt, make provision for a similar contingency, and, as no practical result can follow the establishment of a precedent by this Committee, it is deemed unadvisable that this Committee should make any recommendation to Electors.

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CINCINNATI, O., Dec. 2.—The *Commercial*, this morning, in an article on the casting of the vote for the President by the Greeley electors, says in relation to the voting for Grant: "In any event, the South is not likely to lose anything by evil influences. Graham endeavored to shift all the responsibility of the appropriation of the bank funds on Horton, but it is the general impression here that the former was the principal in transactions. For two or three years Graham's course of life has been extremely inconsistent with the position he has held, and the Board of Directors of the suspended bank are generally censured, having a full knowledge of the way the affairs of the institution were managed, for maintaining Graham in the position of President.

Horton has long been the most popular man in this section of the country. He was the leading Democratic politician of Western Orange; was last spring elected Supervisor in a Republican district by an overwhelming majority, and was this fall the Democratic candidate for Congress in the Twelfth District, against Hon. Charles S. John. He is the son-in-law of Hon. E. P. Wheeler, Vice President of the Midland Railroad, who is almost crazed at the event, the South is not likely to lose anything event, the South is not likely to lose anything by evil influences. Graham endeavored to shift all the responsibility of the appropriation of the bank funds on Horton, but it is the general impression here that the former was the principal in transactions. For two or three years Graham's course of life has been extremely inconsistent with the position he has held, and the Board of Directors of the suspended bank are generally censured, having a full knowledge of the way the affairs of the institution were managed, for maintaining Graham in the position of President.

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